

ORIGINAL

Decision No. 4056A

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
DELTA LINES, INC., a corporation,	:	Application
for authority to execute extensions)	No. 28586
of conditional sale contracts.	:	
-----)	

OPINION AND ORDER

Delta Lines, Inc., applicant herein, is a corporation engaged in the transportation of freight as a highway common carrier principally between San Francisco and Oakland and other points on San Francisco Bay, on the one hand, and Sacramento and Stockton, on the other hand, including generally the points or territory intermediate thereto. The company started its operations on May 11, 1946, and in this application reports that its operating revenues for the period from May 11 to December 31, 1946, were \$520,920 with a net operating loss of \$51,071, and its operating revenues for the period from January 1 to May 31, 1947, were \$418,936 with a net operating revenue of \$16,969.

The application shows that during 1946 and 1947, applicant acquired 23 units of automotive equipment at purchase prices aggregating \$67,430.90, and that in order to finance in part such purchase prices it executed seven conditional sale contracts for deferred payments of \$60,733.65, each of the contracts providing for full payment within 12 months after its date. It now is reported that the present balances due under the contracts aggregate \$48,526.99.

Applicant now desires to extend the time for payment of these remaining balances, and accordingly has made arrangements to execute new conditional sale contracts providing for the repayment of the balances in the total amount of \$1,000 a month for 47 consecutive months and a final payment of \$1,526.99, with interest at the rate of 5% per annum on the unpaid balances. It has filed a copy of the proposed form of conditional sale contract as Exhibit "B".

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the request of the company should be granted, as herein provided, and that the money, property or labor to be procured or paid for through the execution of such contracts is reasonably required for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:

1. Delta Lines, Inc., after the effective date hereof and on or before October 31, 1947, may execute conditional sale contracts in, or substantially in, the same form as that filed in this proceeding as Exhibit "B", providing for the payment of not exceeding \$48,526.99 for the purpose of paying or refunding the balances due on the contracts now outstanding to which reference is made herein.

2. Delta Lines, Inc. shall file with the Commission a report, or reports, as required by the Commission's General Order No. 24-A, which order, insofar as applicable, is made a

part of this order.

3. The authority herein granted will become effective when Delta Lines, Inc. has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Forty-nine (\$49.00) Dollars.

Dated at San Francisco, California, this 29th day of July, 1947.

Harold P. Hill
Justin J. Calver
Frank Russell

Commissioners

