

ORIGINAL

Decision No. 41184

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
FRESNO CITY LINES, INC.)

for an Order authorizing Applicant to)
issue its promissory note; to place a)
lien of chattel mortgage on certain of)
the Applicant's properties to secure)
repayment of said note, and to use the)
proceeds of said note for the purpose)
specified herein.)
-----)

Application
No. 29032

OPINION AND ORDER

Fresno City Lines, Inc., a corporation engaged in the operation of motor vehicles for the transportation of passengers in and about the City of Fresno, reports that in order to handle more adequately increased transportation needs, it has purchased from GMC Truck and Coach Division, General Motors Corporation, eight new GMC-TDH-3610 transit type-36 passenger diesel hydraulic motor coaches for a total estimated cost of \$120,000, including state and federal taxes, freight and other charges.

In order to finance, in part, the purchase price, the company proposes to borrow from the Bank of America National Trust and Savings Association, the sum of \$96,000, to be represented by a note repayable in 72 equal consecutive monthly installments, plus interest at the rate of 3½% per annum, with a commitment charge of one-half of one percent on the unused portion of the credit from January 19, 1948, until the credit from the note is completely used. The payment of the note will

be secured by a chattel mortgage, in the form set out in Exhibit "D" filed in this proceeding, covering the eight new motor coaches.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary; that Fresno City Lines, Inc. should be authorized to execute a chattel mortgage and to issue a note, as herein provided; and that the money, property or labor to be procured or paid for through the issue of said note is reasonably required by applicant for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expense or to income, therefore,

IT IS HEREBY ORDERED as follows:

1. Fresno City Lines, Inc., after the effective date hereof and on or before April 30, 1948, may execute a chattel mortgage in, or substantially in, the same form as that filed in this proceeding as Exhibit "D", and may issue a promissory note in the principal amount of \$96,000, payable in 72 equal consecutive monthly installments plus interest at the rate of 3½% per annum, with a commitment charge of one-half of one percent on the unused portion of the credit from January 19, 1948, until the credit from the note is completely used, for the purpose of financing in part the cost of the eight motor coaches referred to herein.

2. The authority herein granted will become effective when Fresno City Lines, Inc. has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is ninety-six (\$96.00) dollars.

3. Fresno City Lines, Inc. shall file with the Commission a report, or reports, of the issue of the note herein authorized and of the disposition of the proceeds, as required by the Commission's General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

Dated at San Francisco, California, this 37d. day of February, 1948.

R. J. Indrano
Justin J. Casner
Just K. Kaegele
Harold P. Kula
Samuel Tottle
Commissioners

PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
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By *W. A. Klippel*