

ORIGINAL

Decision No. 41783

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SAN BERNARDINO VALLEY TRANSIT COMPANY, a corporation, for authority to execute conditional sale contract on purchase of new equipment.  
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 ) Application  
 : No. 29423  
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OPINION AND ORDER

San Bernardino Valley Transit Company, a corporation, has applied to the Public Utilities Commission for authority to execute a conditional sale contract providing for deferred payments of \$20,000 for the purchase of additional equipment.

Applicant is engaged in the business of operating motor coaches for the transportation of passengers in and about the City of San Bernardino. A summary statement of its operating revenues and expenses for the last three years is as follows:

	<u>1945</u>	<u>1946</u>	<u>1947</u>
Operating revenues	\$291,494	\$322,803	\$415,305
Expenses -			
Operation and maintenance	235,774	267,764	350,553
Depreciation	26,097	23,473	21,258
Operating taxes and licenses	21,348	23,918	30,465
Operating rents	5,327	10,973	13,837
Total expenses	<u>288,546</u>	<u>326,128</u>	<u>416,113</u>
Net operating revenues	<u>\$ 2,948</u>	<u>\$( 3,325)</u>	<u>\$( 808)</u>

Applicant reports that it owns thirty-three motor coaches and that some of them are nearly seven years old and should be replaced in order to provide better service and to reduce operating and maintenance expenses. Accordingly it proposes

at this time to purchase from General Motors Corporation two 36-passenger transit-type, diesel, hydraulic coaches, with accessories and equipment, at a total purchase price, f.o.b. Pontiac, Michigan, of \$27,815.70, including California use tax. It proposes to pay \$7,815.70 of the purchase price in cash and to execute a conditional sale contract for the remaining \$20,000, payable in 59 monthly installments of \$333.33 and one installment of \$333.53, together with interest payable monthly at the rate of 6% per annum on the deferred balances. A copy of the form of the contract has been filed in this proceeding as Exhibit "B".

The Commission has considered this application and is of the opinion that a public hearing thereon is not necessary, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for through the execution of the conditional sale contract is reasonably required by applicant for the purpose specified herein and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED as follows:

1. San Bernardino Valley Transit Company, after the effective date hereof and on or before August 31, 1948, may execute a conditional sale contract in substantially the same form as that filed in this proceeding as Exhibit "B", providing for deferred payments of the principal amount of \$20,000, for the purpose of financing in part the cost of the two motor coaches referred to herein.

2. Applicant shall file with the Commission a report as required by 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 applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is twenty-five (\$25.00) dollars.

Dated at San Francisco, California, this 29th day of June, 1948.

P. J. [Signature]  
Justin J. [Signature]  
[Signature]  
Harold F. [Signature]  
[Signature]  
Commissioners

