

entered into a credit agreement with certain banks which provided for the financing of deferred balances on conditional sale contracts then outstanding and on new contracts to be issued prior to October 31, 1949, in the aggregate sum of not exceeding \$9,500,000. Applicant, under Commission authority heretofore granted, has borrowed and is authorized to borrow from said banks under the terms set forth in the credit agreement, \$6,179,113.26 leaving an unused credit of \$3,320,886.74.

Applicant has entered into an agreement with the ACF-Brill Motors Company, Philadelphia, Pennsylvania, for the purchase of twenty (20) new ACF-Brill Model TC-44, 45-passenger trolley coaches and a group of thirty (30) new ACF-Brill Model T-44, 46-passenger trolley coaches. The estimated cost of the former is reported at \$19,249.67 per unit, and of the latter \$19,085.50 per unit. The aggregate cost of the fifty (50) trolley coaches is estimated at \$957,558.40.

In view of the fact that there may be some variations in the estimated costs, particularly freight, Applicant asks permission to issue conditional sale contracts in the aggregate amount of not to exceed \$965,000. Of this amount, it will pay 15% in cash at the time of the delivery of the trolley coaches, leaving \$820,250 to constitute the deferred balances under the contracts. The deferred balances will be payable in 120 equal or nearly equal monthly installments, with interest at the rate of 2.75% per annum, payable monthly.

Applicant's petition shows that the trolley coaches will be delivered from about July 15, 1948, through September, 1948. They will be used to institute the new trolley coach line

which is being substituted for the former "B" rail line, pursuant to the authority granted by Decision No. 41633, dated May 25, 1948.

FOURTH SUPPLEMENTAL ORDER

The Commission has considered the Fourth Supplemental Application of Los Angeles Transit Lines, filed in the above entitled matter, and is of the opinion that a public hearing is not necessary; that the money, property or labor to be procured or paid for through the issue and execution of a conditional sale contract or contracts for not exceeding \$965,000 is reasonably required by Los Angeles Transit Lines for the purpose herein stated, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, and that this Fourth Supplemental Application should be granted, as herein provided; therefore,

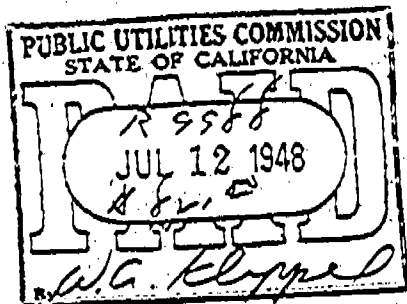
IT IS HEREBY ORDERED as follows:

1. Los Angeles Transit Lines, after the effective date hereof and on or before December 31, 1948, may issue, execute and deliver two (2) or more conditional sale contracts for the aggregate face amount of not exceeding \$965,000, with a deferred balance of not exceeding \$820,250 to finance the purchase of twenty (20) new ACF-Brill Model TC-44, 45-passenger trolley coaches and thirty (30) new ACF-Brill Model T-44, 46-passenger trolley coaches, such contracts to conform with the credit agreement executed by Applicant under the authority granted by Decision No. 40828, dated October 21, 1947.

2. The authority herein granted will become effective fifteen (15) days after the date hereof, and when Los Angeles Transit Lines has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is eight hundred twenty-one (\$821.00) dollars.

3. Within thirty (30) days after the execution of any conditional sale contract under the authority herein granted, Los Angeles Transit Lines shall file with the Commission a copy of the same.

Dated at San Francisco, California, this 7th day of July, 1948.



R. J. Donnell
Justus F. Colver
Walter L. Powell
Harold P. Kula
Samuel D. Potter
Commissioners