

Decision No. 44443

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of ASBURY RAPID TRANSIT SYSTEM,
a corporation, for an order
pursuant to Section 52 of the
Public Utilities Act authoriz-
ing applicant to execute a
promissory note and chattel
mortgage for the sum of
\$105,600.00, covering the
purchase of six Twin Coach buses.

Application
No. 31490

OPINION

This is an application for an order authorizing Asbury Rapid Transit System to execute a promissory note and chattel mortgage in the principal amount of \$105,600 for the purpose of financing in part the cost of six new buses.

Asbury Rapid Transit System is a passenger stage corporation engaged in the business of operating motor coaches for the transportation of passengers generally between Los Angeles and San Fernando; between Pasadena, Hollywood and Culver City; and between Los Angeles and Pasadena and various adjacent and intermediate points. Its annual reports on file with this Commission show operating revenues at \$1,355,125.04 during 1948 and at \$1,321,652 during 1949, with a net operating loss of \$8,998.80 in 1948 and a net operating revenue of \$7,017 in 1949.

Exhibit B filed in this proceeding, shows applicant's assets and liabilities, as of April 30, 1950, in summary form, as follows:

<u>Assets</u>	
Current assets	\$ 52,759.89
Tangible property	1,034,989.01
Intangible property	10,598.00
Deferred debits	<u>11,157.30</u>
Total Assets	<u>\$1,109,504.20</u>
<u>Liabilities</u>	
Current liabilities	\$ 108,020.06
Equipment obligations	123,610.00
Deferred credits	15,312.00
Reserve for depreciation	558,817.19
Capital stock	31,100.00
Surplus	<u>272,644.95</u>
Total Liabilities	<u>\$1,109,504.20</u>

In its 1949 annual report applicant shows that at December 31, 1949 it owned 83 buses, of which 78 were in operation and 5 were considered stand-by. The company now proposes to place in service six new Twin Coach buses, having a seating capacity of 54 passengers each, and to retire ten old buses of smaller seating capacity.

Applicant reports that the cost of the six new buses is \$117,061.56, which it will finance by paying \$11,461.56 directly to Twin Coach Company, and by borrowing the balance of \$105,600 from the Citizens National Trust & Savings Bank of Los Angeles. The \$105,600 will be represented by a promissory note and chattel mortgage payable in 48 equal successive monthly installments of \$2,200 each, together with interest at the rate of $4\frac{1}{2}\%$ per annum on unpaid balances.

The application shows that the use of the larger buses should result in a substantial savings in fuel, tires, maintenance, and drivers' wages.

O R D E R

The Commission has considered the above entitled matter 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 by the execution of a promissory note and chattel mortgage for not to exceed \$105,600 is reasonably required by Asbury Rapid Transit System for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

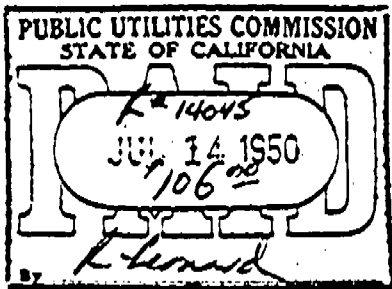
IT IS HEREBY ORDERED as follows:

1. Asbury Rapid Transit System, after the effective date hereof and on or before October 31, 1950, may execute a promissory note and chattel mortgage in the principal amount of not exceeding \$105,600, in, or substantially in, the same form as that filed in this proceeding as Exhibit A, for the purpose of financing in part the cost of six new 54 passenger Twin Coach buses.

2. Applicant shall file with the Commission a copy of the promissory note and chattel mortgage executed under the authority herein granted within thirty (30) days after the date thereof.

3. The authority herein granted will become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is one hundred six (\$106.00) Dollars.

Dated at San Francisco, California, this 27th day
of June 1950.



R. B. Anderson

Robert F. Hill

Harold A. Hill

Commissioners