

Decision No. 44790

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
STERLING TRANSIT COMPANY, INC.	:	
for authorization to purchase new)	Application
equipment and consolidate equipment	:	No. 31721
obligations.)	
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OPINION AND ORDER

This is an application for an order of the Commission authorizing Sterling Transit Company, Inc. to execute a mortgage of chattels and to issue a note for \$78,000 for the purpose of paying indebtedness and financing the cost of equipment.

Applicant is engaged in business as a highway common carrier of property between San Francisco, Los Angeles and San Diego. It reports that in the conduct of its business it has executed five conditional sale contracts or mortgages of chattels for the purchase of equipment, on which there remain unpaid balances in the aggregate amount of \$59,550, as shown in some detail in Exhibit A attached to the application, and that it now desires to purchase, for the total sum of \$17,712.93, two new International tractors and one new International diesel tractor. It desires at this time to consolidate the outstanding obligations with the cost of the new equipment, including licenses and taxes, into one loan in the amount of \$78,000.

The application indicates that applicant has arranged to borrow said sum from Bank of America National Trust and Savings Association, the amount to be represented by a note payable in 30 monthly installments of \$2,600, with interest at the rate of 5% per annum. The payment of the note will be secured by a mortgage of chattels.

The Commission has considered this application and is of the opinion that a public hearing thereon is not necessary; that the requests of applicant should be granted, as herein provided; that the money, property or labor to be procured or paid for through the issue of the note herein authorized is reasonably required by applicant for the purposes specified herein; and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

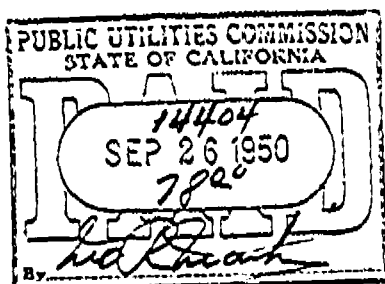
IT IS HEREBY ORDERED as follows:

1. Sterling Transit Company, Inc., after the effective date hereof and on or before December 31, 1950, may issue a note in the principal amount of \$78,000, payable as indicated herein, for the purpose of paying indebtedness and of financing the cost of new equipment, and may execute a mortgage of chattels to secure the payment of said note, which mortgage of chattels shall be in, or substantially in, the same form as that filed in this proceeding as Exhibit C.

2. Sterling Transit Company, Inc. shall file with the Commission a report, or reports, 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 Sterling Transit Company, Inc. has paid the fee prescribed by Section 57 of the Public Utilities Act.

Dated at San Francisco, California, this 19th day of September, 1950.



R. J. ...
Justice F. ...
... Lowell.

Commissioners