

ORIGINAL

Decision No. 40828

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of the

LOS ANGELES TRANSIT LINES,
a Corporation,

for authority:

- A. To use motor coaches in excess of 35 feet in length on certain routes,
- B. To execute and deliver an Amendment of Credit Agreement relating to the financing of such coaches, and
- C. To issue conditional sale contract or contracts pursuant to such Credit Agreement for the purchase of 25 diesel hydraulic motor coaches.

Application
No. 32321

OPINION AND ORDER

By Decision No. 40828, dated October 21, 1947, as amended, the Commission authorized Los Angeles Transit Lines to enter into a credit agreement with various banks to finance deferred balances on conditional sales contracts in an aggregate amount of not exceeding \$9,500,000, the credit thus extended to be utilized prior to October 31, 1949.

Applicant now reports that it has need for additional funds and that the banks⁽¹⁾ who are parties to the present credit agreement have indicated their willingness to offer additional credit in an amount of not to exceed \$500,000, to be utilized prior to June 30, 1951, for the purpose of financing deferred balances in the acquisition, at a reported cost of \$542,834.75, of 25 General Motors 51-passenger transit type coaches, each having an overall length of

(1) Security-First National Bank of Los Angeles, American Trust Company, The Anglo California National Bank and Bank of America National Trust and Savings Association.

39 feet and 9 inches and an overall width of 101 inches. Applicant accordingly desires authority to enter into a second amendment of its credit agreement and to execute conditional sale contracts providing for the payment of deferred balances in the aggregate amount of \$500,000 in 96 monthly installments with interest at the rate of 3-1/2% per annum.

Applicant reports that it intends to place the new buses initially on the following routes:

<u>Route No.</u>	<u>Route Description</u>	<u>One-Way Route Miles</u>
4	Melrose and West Olympic Blvd. Motor Coach Line	18.6
11	West Adams and West Temple Motor Coach Line	13.63
44	Beverly Blvd. Motor Coach Line	10.15
82	Wilshire Blvd. Motor Coach Line	6.60
84	Western Avenue Motor Coach Line	12.19
85	Crenshaw-Vine-LaBrea Motor Coach Line	17.9

It asks, however, that it be authorized to use said buses on all routes which it now operates or which it may be authorized to operate, provided that the one-way route mileage in each case is not more than 25 miles in length.

The Commission has considered this matter and is of the opinion that applicant's requests should be granted, as herein provided; that a public hearing is not necessary; that the money, property or labor to be procured or paid for through the execution of the conditional sale contracts herein authorized 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; therefore,

IT IS HEREBY ORDERED as follows:

1. Los Angeles Transit Lines, after the effective date hereof and on or before June 30, 1951, may execute a Second Amendment

of Credit Agreement, in substantially the same form as that filed in this proceeding as Exhibit A, and may execute, pursuant to the terms of said credit agreement as amended, a conditional sale contract, or contracts, providing for deferred payments of not to exceed \$500,000, for the purpose of acquiring the equipment to which reference is made herein.

2. Los Angeles Transit Lines may use the motor coaches referred to herein on all routes authorized for operation under and pursuant to certificates of public convenience and necessity granted by the Commission, heretofore issued or hereafter to be issued, provided said routes are in urban or suburban service as defined in Section 694(g) of the California Vehicle Code and do not have a one-way route mileage in each instance in excess of 25 miles, and also upon all trips reasonably required in serving such routes or in servicing such motor coaches to be used on such routes, i.e., for turn around purposes, pull-in and pull-out trips and for trips between termini, garages, storage lots, servicing and repair facilities, and on such emergency or temporary detours on each route as may be reasonably required by street or traffic conditions.

3. Applicant shall file with the Commission a copy of each contract executed under the authority herein granted, such filing to be made within thirty (30) days after the date of each such contract.

4. 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 five hundred (\$500.00) dollars.

Dated at San Francisco, California, this 1st day of
May, 1951.

[Signature]
James F. Creever
Harold A. Huls

[Signature]
John E. Mitchell
Commissioners

