

Decision No. 45854**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SOUTHERN CALIFORNIA FREIGHT LINES)
 for an order authorizing execution) Application
 of conditional sale contracts to) No. 32466
 purchase automotive equipment.)
 -----)

OPINION AND ORDER

This is an application for an order authorizing Southern California Freight Lines to execute two conditional sale contracts providing for deferred payments in the aggregate amount of \$139,072.60.

Applicant is a California corporation engaged in business as a highway common carrier of property in Southern California. For the last three years it has reported its operating revenues and expenses as follows:

	<u>1948</u>	<u>1949</u>	<u>1950</u>
Operating revenues	<u>\$2,470,184</u>	<u>\$2,553,735</u>	<u>\$3,089,934</u>
Expenses -			
Operation and maintenance	2,193,301	2,328,679	2,865,389
Depreciation	110,976	111,188	100,203
Taxes and licenses	136,749	148,824	137,185
Operating rents	<u>(44,313)</u>	<u>(41,512)</u>	<u>(34,591)</u>
Total	<u>2,396,713</u>	<u>2,547,179</u>	<u>3,118,186</u>
Net operating revenues	<u>\$ 73,471</u>	<u>\$ 6,556</u>	<u>\$ (28,252)</u>

In its 1950 annual report to the Commission, applicant shows that it had invested \$1,757,625 in carrier operating property, including 190 trucks, 121 truck tractors, 229 semi-trailers, and 15 full trailers, together with service cars, shop and garage and other equipment. It reports, as of the close of 1950, current assets of

\$241,831, current liabilities of \$450,327, and equipment and other long-term obligations of \$442,915.

In the present proceeding applicant reports that it desires to purchase from Fruehauf Trailer Company 20 single-axle aerovan semi-trailers with aluminum van bodies, at a cost of \$101,510.16, and 4 tandem-axle semi-trailers with stake and rack bodies and 4 single-axle semi-trailers with stake and rack bodies, for a total purchase price of \$37,562.44.

The payment of the \$101,510.16 will be evidenced by a conditional sale contract in that amount, to be payable in 42 monthly installments with interest at the rate of 6% per annum on deferred balances. The payment of the \$37,562.44 will be represented by a contract payable in 36 monthly installments, also with interest at the rate of 6% per annum on deferred balances. A copy of each of the proposed contracts has been filed in this proceeding.

The Commission has considered this matter and is of the opinion that a public hearing thereon is not necessary; that applicant will have need for the execution of the two contracts to provide for the acquisition of equipment; that the money, property or labor to be procured or paid for through the execution of said contracts 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:

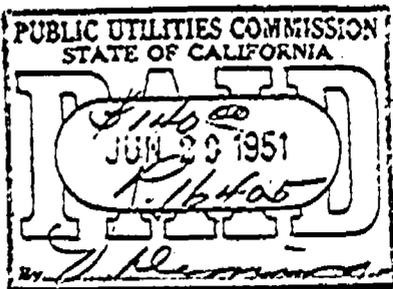
1. Southern California Freight Lines, after the effective date hereof and on or before September 30, 1951, may execute two conditional sale contracts in, or substantially in, the same form as those filed in this proceeding as Exhibit A and Exhibit B, providing

for deferred payments in the aggregate amount of \$139,072.60, for the purpose of financing the cost of equipment.

2. Applicant shall file with the Commission monthly 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 applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is one hundred forty (\$140.00) dollars.

Dated at San Francisco, California, this 26th day of June, 1951.



A. Z. [Signature]
Justus F. [Signature]
Harold H. [Signature]
[Signature]
[Signature]
Commissioners