

ORIGINAL

Decision No. 51821

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of CAPITOL TRANSPORTATION)	
CO., a California corporation, to	:	
operate automotive service for the)	
common carrier transportation of	:	
passengers, baggage and express)	Application
between Sacramento and the Sacramento	:	No. 37001
Municipal Airport; for a certificate)	(First Supplemental)
of public convenience and necessity;	:	
to establish rates and to issue shares)	
of common stock of the corporation.	:	
-----)	

FIRST SUPPLEMENTAL OPINION AND ORDER

In a first supplemental application filed in the above entitled proceeding on July 19, 1955, Capitol Transportation Co., a corporation, seeks an order authorizing it to issue 7,200 shares of its common stock of the par value of \$1 each.

Applicant is a California corporation organized on May 16, 1955, for the purpose of acquiring the equipment and business formerly operated by Teddy's Taxi Corporation, including passenger stage service for the transportation of airline passengers between Sacramento and Sacramento Municipal Airport. It was authorized by Decision No. 51578, dated June 9, 1955, to undertake such operations and to issue 13,000 shares of stock to C. Otis Hanna, one of its incorporators, to provide working cash and to pay for four flexible buses.

In the original application the carrier also sought authorization to issue an unspecified number of shares of stock to C. Otis Hanna in exchange for certain assets of Teddy's Taxi

Corporation which had been seized by the Director of Internal Revenue and which were being offered for sale. The Commission withheld action on this request until a final determination had been made as to the price which would be paid.

The supplemental application shows that C. Otis Hanna, on behalf of applicant, purchased from the Director of Internal Revenue the equipment formerly owned by Teddy's Taxi Corporation for the sum of \$6,808.01 and, in addition, paid \$391.99 to clear obligations standing out against such equipment, his total expenditures aggregating \$7,200, and that he is willing to take stock in that amount in payment of the sums thus advanced by him. The equipment consists of 28 motor vehicles, together with miscellaneous office furniture and fixtures.

The Commission has considered this first supplemental application and is of the opinion that a public hearing is not necessary, that the request of applicant should be granted, as herein provided, that the money, property or labor to be procured or paid for by the issue of the shares of stock 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. Capitol Transportation Co., a corporation, may issue not exceeding 7,200 shares of its common stock, at their par value of \$1 each, to C. Otis Hanna in payment for the equipment referred to in the first supplemental application filed in this proceeding.

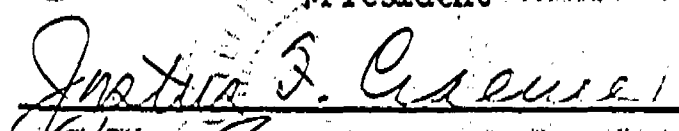
2. Capitol Transportation Co. shall file with the Commission a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

3. The authority herein granted will become effective on the date hereof.


Dated at San Francisco, California, this 16th day of August, 1955.



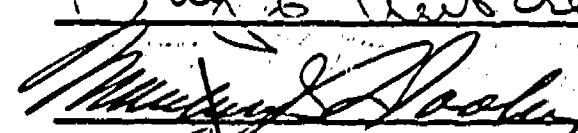
President




J. F. Caswell



Carl Ventremer



Murray Dooly



Commissioners