

**ORIGINAL**

Decision No. 53130

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
PEERLESS STAGES, INCORPORATED, a  
Corporation, and BANK OF AMERICA  
NATIONAL TRUST & SAVINGS ASSOCIATION  
a national banking association, for  
authority to execute a certain promissory  
note and Deed of Trust as security therefor.

Application  
No. 38008

OPINION AND ORDER

This is an application for an order authorizing Peerless Stages, Incorporated, to execute a deed of trust and to issue a note in the principal amount of \$40,000 for the purpose of financing the cost of improvements.

Applicant is a passenger stage corporation engaged in operating certain lines in the Counties of Alameda, San Mateo, Santa Clara, and Santa Cruz. It owns certain real property at 2021 Castro Street, Oakland, across the street from its Oakland terminal, upon which it has constructed a building to house its shop and garage facilities which now are maintained in rented premises. It reports that the cost of the building was \$34,290 and that it is necessary for it to spend additional sums to remove its equipment from its present location and to pave, fence, and improve the area surrounding the new building to make it suitable for parking purposes for its buses.

To meet the required expenditures, applicant has arranged to borrow \$40,000 from Bank of America National Trust and Savings Association, the sum to be represented by a note payable in monthly

installments of \$450 with interest at the rate of 5% per annum on the decreasing balance, the payment to be secured by a deed of trust. Applicant asserts that the monthly payments will be no greater than the monthly rental on the present premises which it now utilizes for its shop and that, in addition, it will effect certain economies by locating its service facilities near its terminal.

Upon a review of this matter we are of the opinion that a public hearing is not necessary, that the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required for the purposes specified herein, that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income, and that the application should be granted; therefore,

IT IS HEREBY ORDERED as follows:

1. Peerless Stages, Incorporated, may execute a deed of trust and issue a note on or before September 30, 1956, in the principal amount of \$40,000 for the purposes set forth in this application, which note and deed of trust shall be in, or substantially in, the same form as those filed in this proceeding.

2. Peerless Stages, Incorporated, 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 Peerless Stages, Incorporated, has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$40.

Dated at San Francisco, California, this 28<sup>th</sup> day of May, 1956.

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 President  
Justin S. Coomes  
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Raymond L. Interreiner  
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Walter J. Adams  
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R. Hardy  
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 Commissioners

PUBLIC UTILITIES COMMISSION  
 STATE OF CALIFORNIA  
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 MAY 29 1956  
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 BY [Signature]