

ORIGINAL

Decision No. 59048

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of STERLING TRANSIT COMPANY, INC.,
a corporation, for an order
authorizing the issuance of a
promissory note and deed of trust.

Application No. 41462

OPINION AND ORDER

Sterling Transit Company, Inc., applicant herein, is a highway common carrier of general commodities, with certain exceptions, between San Francisco, Los Angeles, San Diego and El Centro, and certain intermediate points.^{1/} In this application it seeks an order of the Commission authorizing it to execute a deed of trust and to issue a promissory note in the principal amount of \$75,000.

Presently, applicant has a loan of \$37,750 outstanding against its Montebello terminal due as of August 20, 1959. It proposes to refinance such indebtedness and to obtain \$37,250 of new money through the issuance of a note to Bank of America National Trust and Savings Association in the principal amount of \$75,000, payable in monthly installments of \$1,000, with interest at the rate of 6% per annum, payment to be secured by a deed of trust covering real property in the City of Montebello.

^{1/} In Exhibit D, applicant reported for the first six months of 1959, operating revenues of \$1,566,452 and net profit of \$78,856, after making provision of \$78,563 for depreciation.

Applicant proposes to use the \$37,250 of new money to finance the cost of approximately 2,000 square feet of additional office space and facilities at Montebello and the cost of paving its parking lot.

The Commission has considered this application and is of the opinion that a public hearing is not necessary, that the application should be granted, that the money, property or labor to be procured or paid for by 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., on and after the effective date hereof and on or before December 31, 1959, may execute a deed of trust and may issue a note in the principal amount of not exceeding \$75,000 for the purposes set forth in this application, such deed of trust and note to be in, or substantially in, the same form as those filed in this proceeding as Exhibit B and Exhibit A, respectively.

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 shall become effective when Sterling Transit Company, Inc., has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$38.

Dated at San Francisco, California,
this 29th day of September, 1959.

Gregory R. Page
President
[Signature]
[Signature]
[Signature]

Commissioners

