

**ORIGINAL**

Decision No. 60245

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. 42280

OPINION AND ORDER

On May 19, 1960, Sterling Transit Company, Inc., filed the above-entitled application for authorization to execute a deed of trust and to issue a 6% note to Federal Engineering Corporation in the principal amount of \$25,000, payable in monthly installments of \$500, or more, commencing June 15, 1960 for the purpose of providing additional working capital.

Applicant is a highway common carrier of general commodities, with certain exceptions, operating generally between San Francisco, Sacramento, Los Angeles, San Diego and El Centro and intermediate points. For the year 1959, it reported operating revenues of \$3,270,309 and net profit of \$66,414, after making deductions of \$170,998 for depreciation. At the close of the year, it reported current assets of \$312,911, including accounts receivable of \$187,245, as compared with current liabilities of \$397,788.

We have considered this application and are of the opinion that applicant has need for additional working capital and that its earnings should be ample to service the proposed

borrowing. We find and conclude that a public hearing is not necessary in this proceeding; 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 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. Sterling Transit Company, Inc., on or after the effective date hereof and on or before October 31, 1960, may execute a deed of trust and may issue a note in the principal amount of not to exceed \$25,000 for the purpose set forth in this application, which deed of trust and note shall be in, or substantially in, the same form as those filed in this proceeding.

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. This order 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 \$25.

Dated at San Francisco, California, this 14<sup>th</sup> day of June, 1960.

Ernest P. Boyd  
President

W. E. Mitchell

Walter D. Deal

C. Leo Fox

Theodore J. Jensen  
Commissioners

PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA

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BY