

ORIGINAL

Decision No. 62590

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. 43708
Filed August 25, 1961

OPINION AND ORDER

This is an application for an order of the Commission authorizing Peerless Stages, Incorporated, to execute a deed of trust and to issue a \$102,000 note for the purpose of financing the purchase of new equipment.

Peerless Stages, Incorporated, is a California passenger stage corporation engaged in the business of transporting passengers in portions of the Counties of Alameda, San Mateo, Santa Clara and Santa Cruz. In order to meet competition in both its public utility and charter operations, it proposes to borrow moneys to purchase new and modern equipment in replacement of old and obsolete equipment which it now uses.

The proposed borrowing is to be represented by a note issued to the order of Bank of America National Trust and Savings Association. The note will be in the principal amount of \$102,000, will be payable in monthly installments of \$1,133 including interest on decreasing balances at the rate of 6 per cent per annum, and will be secured by a deed of trust on public

utility properties of Peerless Stages, Incorporated, situated in the City of Oakland and in the Town of Los Gatos.

From a review of the verified application, including the exhibits attached thereto, we are of the opinion that the operations of Peerless Stages, Incorporated, should be sufficient to support and to service the proposed borrowing without interfering with its public utility duties. We find and conclude 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 Peerless Stages, Incorporated, 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 ORDERED that -

1. Peerless Stages, Incorporated, on or after the effective date hereof and on or before December 31, 1961, may execute a deed of trust and may issue a note in the principal amount of not to exceed \$102,000 for the purpose specified herein, which deed of trust and note shall be in the same form, or substantially in the same form, as the copies of a proposed deed of trust and note 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. This order shall become effective when Peerless Stages, Incorporated, has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$102.

Dated at San Francisco, California,
this 25th day of SEPTEMBER, 1961.

Overell B. Reed
President

E. J. Fox

George G. Miller

Fredrick B. Haliloff

Commissioners

Peter E. Mitchell
Commissioner _____, being
necessarily absent, did not participate
in the disposition of this proceeding.

