

**ORIGINAL**Decision No. 73836

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of SAN JOSE CITY LINES, INC. for  
authority to increase certain  
rates of fare.

Application No. 43664  
Petition for Modification  
(Filed December 15, 1967)

SUPPLEMENTAL OPINION AND ORDER

Decision No. 62960 dated December 19, 1961, as modified by Decision No. 71899 dated January 24, 1967, required San Jose City Lines, Inc., to acquire new buses as follows:

<u>No. of Buses</u>	<u>Shall be acquired prior to:</u>
5	August 1, 1967
5	January 1, 1968
5	January 1, 1969
5	January 1, 1970
4	January 1, 1971

Applicant requests that ordering paragraph 6 of Decision No. 62960 as modified by Decision No. 71899 be further modified by extending the dates of acquisition of new buses one year forward as follows:

<u>No. of Buses</u>	<u>Shall be acquired prior to:</u>
5	January 1, 1969
5	January 1, 1970
5	January 1, 1971
4	January 1, 1972

Pursuant to the directive contained in said Decision No. 62960, as modified, applicant has acquired eighteen new buses since June 1, 1962. The more recent of the acquisitions was the purchase of five new buses which were received and placed in service in October 1967. The cost of the five buses was \$140,000 which applicant financed by a bank loan of \$111,800 dated November 8, 1967 to be paid in 84 monthly installments plus interest at a rate of 7½ percent. Applicant also has outstanding an equipment bank loan of \$100,000 covering the financing of eight buses acquired new in

December 1964. As of November 30, 1967 the unpaid principal balances in the two equipment loans amount to a total of \$174,520.43. The application states that in view of the principal balances on existing loans the lender is reluctant to lend additional funds. Financial statements appended to the application disclose that applicant does not have enough cash to purchase additional new buses at this time.

We find that under present circumstances applicant should not be required to purchase five new buses at this time. No one has opposed the granting of the petition. We conclude that the petition should be granted and that a public hearing is not necessary.

IT IS ORDERED that the requirements of ordering paragraph 6 of Decision No. 62960, as amended, are modified as follows:

6. San Jose City Lines, Inc., shall acquire nineteen new motor buses in replacement of older buses prior to January 1, 1972, and the number of buses acquired and the dates of acquisition shall not be less in number or in time than specified in the following schedule:

<u>No. of Buses</u>	<u>Shall be acquired prior to:</u>
5	January 1, 1969
5	January 1, 1970
5	January 1, 1971
4	January 1, 1972

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 12<sup>th</sup> day of MARCH, 1968.

[Signature]  
President

[Signature]

[Signature]

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Commissioners