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ORIGINAL

Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of:)

STERLING TRANSIT COMPANY, INC.,)
a corporation, for authority to)
issue a promissory note and)
chattel mortgage, pursuant to)
Sections 816-830 and 851-853)
of the California Public)
Utilities Code)

Application No. 47097
Petition for Modification
Filed April 19, 1968

SECOND SUPPLEMENTAL OPINION

By Decision No. 68311, dated December 9, 1964, as modified by Decision No. 72693, dated July 6, 1967, in the above-entitled matter, the Commission authorized Sterling Transit Company, Inc. (1) to execute a mortgage, or mortgages, of chattels and (2) to issue a 7% promissory note, or notes, from time to time, in an aggregate principal amount of not exceeding \$500,000 at any one time outstanding, for purposes of consolidating debt and financing the cost of additional equipment.

In order to finance a stepped-up program of equipment replacements, petitioner seeks further modification of said Decision No. 68311 so as to authorize the issuance of notes up to an aggregate amount of \$1,000,000 in favor of Bank of America National Trust and Savings Association.

After consideration the Commission finds that: (1) the proposed note issues are for proper purposes; (2) the money, property or labor to be procured or paid for by the issue of the notes herein authorized is reasonably required for the purposes specified herein; and (3) such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income. On the basis of these findings we conclude that the Petition for Modification should be granted. A public hearing is not necessary.

SECOND SUPPLEMENTAL ORDER

IT IS ORDERED that:

1. Decision No. 68311, dated December 9, 1964, as modified, is hereby further modified so as to permit Sterling Transit Company, Inc. to issue a promissory note, or notes, from time to time, up to an aggregate principal amount of not exceeding \$1,000,000 at any one time outstanding, for the purposes specified in this proceeding.

2. Said Decision No. 68311, as modified, shall remain in full force and effect, except as further modified by this order.

3. This order shall become effective when Sterling Transit Company, Inc. has paid the additional fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$400.

Dated at San Francisco, California,
this 14th day of MAY, 1968.

Robert E. Mitchell
President

William J. Beaudin

Augusta

William J. Lyons Jr.

Fred P. Monsey
Commissioners

