

ORIGINAL

Decision No. 78347

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 February 1, 1971

THIRD SUPPLEMENTAL OPINION

By Decision No. 68311, dated December 9, 1964, as modified by Decision No. 72693, dated July 6, 1967, and as further modified by Decision No. 74102, dated May 14, 1968, in the above-entitled matter, the Commission, among other things, authorized Sterling Transit Company, Inc. to issue promissory notes, from time to time, up to an aggregate principal amount of not exceeding \$1,000,000 at any one time outstanding, and bearing interest at a rate of not exceeding 7% per annum.

The carrier reports that it has come to an agreement with the lender, Bank of America National Trust and Savings Association, whereby future interest rates will consist of the bank's prime rate plus 3/4 of 1% per annum. In view of constantly changing money rates, petitioner seeks further modification of said Decision No. 68311 so as to authorize the revised basis for interest rates.

After consideration of this Petition for Modification, the Commission finds that the requested change in interest rates would not be adverse to the public interest. On the basis of this finding we conclude that the Petition for Modification should be granted. A public hearing is not necessary.

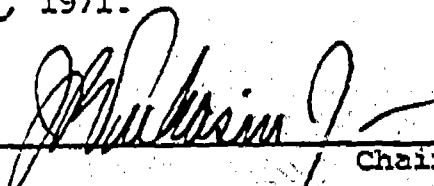
THIRD SUPPLEMENTAL ORDER

IT IS ORDERED that Decision No. 68311, dated December 9, 1964, as modified, is hereby further modified so as to authorize Sterling Transit Company, Inc. to issue the note, or notes, referred to therein, with interest at the prime rate plus 3/4 of 1% per annum.


IT IS FURTHER ORDERED that said Decision No. 68311, as modified, shall remain in full force and effect, except as further modified by this order.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this
22nd day of FEBRUARY, 1971.


Chairman




Commissioners

Commissioner William Symons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.