

Decision No. 80306**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
 of PEERLESS STAGES, INCORPORATED,)
 a Corporation, for authority to)
 execute a certain promissory note)
 and Deed of Trust as security)
 therefor.)

Application No. 53435
 (Filed June 30, 1972)

O P I N I O N

Peerless Stages, Incorporated seeks authority to issue a \$170,000 note and to execute and deliver a Deed of Trust.

Applicant is a California corporation operating as a passenger stage corporation in the Counties of Alameda, San Mateo, Santa Clara and Santa Cruz. Its balance sheet at April 30, 1972 is summarized from the application as follows:

Assets

| | |
|--------------------------------|------------------|
| Current assets | \$113,548 |
| Net carrier operating property | 543,069 |
| Other assets | <u>58,139</u> |
| Total | <u>\$714,756</u> |

Liabilities

| | |
|---------------------------------------|------------------|
| Notes payable | \$154,209 |
| Other current and accrued liabilities | 152,332 |
| Long-term obligations | 112,987 |
| Common stock equity | 294,777 |
| Other liabilities | <u>451</u> |
| Total | <u>\$714,756</u> |

The application indicates that the corporation is indebted to Bank of America National Trust and Savings Association in the amount of \$136,000 in connection with the purchase of buses. In order to provide funds for the repayment of said indebtedness and for additional working capital, applicant proposes to borrow \$170,000 from said bank. The borrowing would be evidenced by a promissory note repayable in 120 monthly installments of \$2,107.76, including interest at the rate of 8-1/2% per annum, and would be secured by a proposed Deed of Trust.

After consideration the Commission finds that:

1. The proposed Deed of Trust would not be adverse to the public interest.
2. The proposed note issue is for proper purposes.
3. The money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required for the purposes specified herein, which purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.

On the basis of the foregoing findings we conclude that the application should be granted. A public hearing is not necessary.

O R D E R

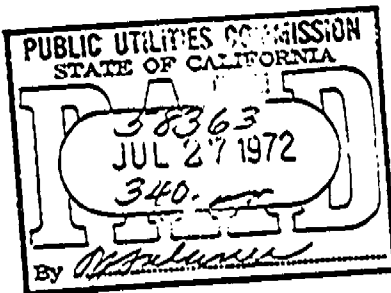
IT IS ORDERED that:

1. Peerless Stages, Incorporated, on or after the effective date hereof and on or before October 31, 1972, for the purposes set forth in the application, may execute and deliver a Deed of Trust and may issue a promissory note in the principal amount of not exceeding \$170,000, which documents shall be in substantially the same forms as those attached to the application.

2. Peerless Stages, Incorporated shall file with the Commission the report required by General Order No. 24-B, which order, insofar as applicable, is hereby 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 \$340.

Dated at San Francisco, California, this 24th day of JULY, 1972.



President
William J. Quinn

[Signature]

Commissioners
[Signature]

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

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.