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Decision No. 13061.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of the )  
LOS VERJEIS LAND AND WATER COMPANY. )  
a corporation, for authority and permis- )  
sion to renew a mortgage on the lands ) Application Number 9621.  
and property of the company and to estab- )  
lish water rates. )

V. T. McGillycuddy, for Applicant.

BY THE COMMISSION:

O P I N I O N

In this application LOS VERJEIS LAND AND WATER COMPANY asks the Railroad Commission to make an order establishing water rates and authorizing it to execute a mortgage and to issue a note in the principal amount of not exceeding \$7,828.00.

A public hearing on the application in so far as it relates to the execution of a mortgage and the issue of a note was held before Examiner Fankhauser in San Francisco, on January 17, 1923. The hearing on the application in so far as it relates to the establishment of water rates has been set for a later date and applicant has been directed to give due notice of such hearing.

The record shows that pursuant to authority granted by Decision Number 6075 dated January 20, 1919, the company executed a mortgage and issued a one year seven percent. note in the principal amount of \$13,500.00 for the purpose of refunding an outstanding note which had been issued under authority previously granted by the Commission in Decision Number 1085 dated November 21, 1913. It is now reported that \$7,828.00 of this note remains unpaid and that the bank which

holds the note has expressed a willingness to accept a new note for this unpaid balance.

At the hearing held on January 17th applicant offered in evidence a copy of its proposed mortgage. Following the introduction in evidence of the proposed mortgage, the instrument was modified, so as to exempt from its lien 32.4 acres of land in Section 12 and 13, Yuba County, sold to Junea W. Kelly and more particularly described in her deed of December 6, 1923.

#### ORDER

LOS VERJELS LAND AND WATER COMPANY having applied to the Railroad Commission for permission to execute a mortgage and issue a note for not more than \$7,828.00, a public hearing having been held and the Commission being of the opinion that the money, property or labor to be procured or paid for through the issue of such note is reasonably required by applicant;

IT IS HEREBY ORDERED that Los Verjels Land and Water Company be, and it is hereby, authorized to execute a mortgage substantially in the same form as that filed in this proceeding and marked "Applicant's Exhibit No. 1" and to issue its one year seven percent. note in the principal amount of not exceeding \$7,828.00 for the purpose of refunding in part the note authorized by Decision Number 6075 dated January 20, 1919.

The authority herein granted is subject to the following conditions:-

1. The authority herein granted to execute a mortgage is for the purpose of this proceeding only and is granted in so far as this Commission has jurisdiction under the terms of the Public Utilities Act and is not in-

tended as an approval of said mortgage as to such other legal requirements to which said mortgage may be subject.

2. Applicant shall keep such record of the issue and delivery of the note herein authorized as will enable it to file within thirty days after such issue and delivery, a verified statement, as required by the Railroad Commission's General Order No. 24, which order in so far as applicable, is made a part of this order.
3. The authority herein granted to execute a mortgage and to issue a note will become effective upon the date hereof but will expire on March 31, 1924.

DATED at San Francisco, California, this 18<sup>th</sup> day of January, 1924.

C. A. Seaver

H. B. Brundage

Ernest Shore

J. M. Whitney

Commissioners.