

Decision No. 15024.

ORIGINAL

In the Matter of the Application of
SAN BENITO CO. LAND AND WATER COMPANY,
a corporation, for permission to renew
a certain promissory note and to exe-
cute a mortgage to secure said note.

Application No. 11141.

Thomas E. O'Donnell, for applicant.

BY THE COMMISSION:

O P I N I O N

San Benito Co. Land and Water Company asks permission to issue a \$50,000.00 one year note bearing interest at not to exceed seven percent per annum and use the proceeds to pay a \$50,000. one year seven percent note issued pursuant to the authority granted by Decision No. 7277 dated March 17, 1920, as amended.

By said Decision No. 7277 the Commission authorized applicant to issue two notes, one for \$50,000.00 and another for \$25,000.00. The \$25,000.00 note has been paid but no payments have been made on the \$50,000.00 note. The interest on such note, however, has been regularly paid.

Applicant also asks permission to execute a mortgage substantially in the same form as the mortgage filed in this proceeding and marked "Exhibit B" to secure the payment of the \$50,000.00 note which it asks permission to issue. The mortgage is in satisfactory

form. It will be a lien on all of applicant's real property, the original cost of which is reported by applicant at \$120,000. and the present value at \$150,000.

ORDER

SAN BENITO CO. LAND AND WATER COMPANY, having applied to the Railroad Commission for permission to issue a \$50,000. note and to execute a mortgage, a public hearing having been held before Examiner Fankhauser and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for by the issue of such note is reasonably required by applicant, and that the expenditures herein authorized are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that San Benito Co. Land and Water Company be, and it is hereby, authorized to issue a \$50,000.00 note payable one year after date with interest at not to exceed seven percent per annum and use the proceeds obtained from the issue of such note to pay the \$50,000.00 note now held by the Bank of Italy and referred to in this application,

IT IS HEREBY FURTHER ORDERED that San Benito Co. Land and Water Company be, and it is hereby, authorized to execute a mortgage substantially in the same form as the mortgage attached to the petition herein and marked "Exhibit B"; provided that the authority herein granted to execute said 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 intended as an approval of said mortgage as to such other legal requirements to which said mortgage may be subject,

IT IS HEREBY FURTHER ORDERED that the authority herein granted to issue a note and execute a mortgage will become effective upon the date hereof and that San Benito Co. Land and Water Company shall file with the Railroad Commission a report, as required by the Railroad Commission's General Order No. 24, which order is made a part of this order.

DATED at San Francisco, California, this 6th day of June, 1925.

H. B. Bannister
C. L. Seaver
Egerton Shice

Commissioners.