

Decision No. 20926

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)

J. L. MARSHALL)

for permission to secure a loan of)
\$5,000.00.)

Application No. 15470.

BY THE COMMISSION:

O P I N I O N

ORIGINAL

In this proceeding the Railroad Commission is asked to authorize J. L. Marshall to execute a deed of trust and issue a note for \$5,000.00.

The application shows that J. L. Marshall is engaged in the business of supplying water for domestic purposes in the Town of Indio, Riverside County. As of December 31, 1928, he reports his investment in his water system at \$22,467.00 and a promissory note outstanding against his properties in the principal amount of \$2,000.00, payable on March 1, 1929, with interest at the rate of eight percent per annum. The revenues and expenses from the operations of the water system during the last three calendar years have been reported as follows:-

<u>I T E M</u>	<u>1926</u>	<u>1927</u>	<u>1928</u>
Operating Revenues	\$6,689.00	\$7,213.90	\$8,826.00
Operating Expenses	<u>4,145.59</u>	<u>4,274.83</u>	<u>4,830.10</u>
Net Operating Revenues ..	<u>\$2,543.41</u>	<u>\$2,939.07</u>	<u>\$3,995.90</u>

Applicant reports that now he desires to borrow the sum of \$5,000.00 for the purpose of paying the outstanding note of \$2,000.00 and for making certain improvements, as follows:-

67,000 gallon steel tank	\$1,500.00
Foundation	100.00
700 feet of seven inch pipe, installed.	700.00
1,000 feet of four inch steel pipe, installed.	500.00
Gates and valves	100.00
Housing for equipment.	200.00
	TOTAL
	\$3,100.00

It appears that applicant has made arrangements to issue his note to Securities Investment Company of Riverside in the principal amount of \$5,000.00, principal and interest to be payable in sixty-five monthly installments of \$100.00 each and one installment of \$150.00. If an installment is not paid when due, it bears interest at the rate of nine percent per annum until paid. Copies of the note and deed of trust were filed with the Commission on March 25, 1929, and appear to be in satisfactory form.

ORDER

J. L. Marshall having applied to the Railroad Commission for permission to execute a note and deed of trust, and the Commission being of the opinion that this is not a matter in which a public hearing is necessary and that the application should be granted, as herein provided, and that the money, property or labor to be procured or paid for through the execution of the note and deed of trust

is reasonably required for the purposes specified herein which purposes are not, in whole or in part, reasonably chargeable to operating expense or to income,

IT IS HEREBY ORDERED that J. L. Marshall be, and he hereby is, authorized to execute a deed of trust substantially in the same form as that filed in this proceeding on March 25, 1929, and to issue his promissory note secured thereby in the principal amount of \$5,000.00 for the purpose of paying his outstanding indebtedness of \$2,000.00 and of financing in part the cost of the improvements referred to in the foregoing opinion.

The authority herein granted is subject to the following conditions:

- (1) The authority herein granted to execute a deed of trust is for the purpose of this proceeding only, and is granted only insofar as this Commission has jurisdiction under the terms of the Public Utilities Act, and is not intended as an approval of said deed of trust as to such other legal requirements to which it may be subject.
- (2) Applicant shall keep such record of the issue of the note herein authorized and of the disposition of the proceeds as will enable him to file, on or before the 25th day of each month, a verified report, as required by the Commission's General Order No. 24, which order, insofar as applicable, is made a part of this order.

(3) The authority herein granted will become effective when applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-five (\$25.00) Dollars.

DATED at San Francisco, California, this 1st day of April, 1929.

Paul D. Louder
Albany
Emmanuel
Leon White
W. J. Curran
Commissioners.

Fee \$25.00
RAILROAD COMMISSION
STATE OF CALIFORNIA
APR 3 1929
BY [Signature]
SECRETARY
file #