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Decision No. 24743

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SNEIBLE-TAVERNETTI COMPANY,)
a corporation, for permit to execute)
promissory note secured by deed of)
trust on certain real estate and for)
permit to sell and convey real estate.)

Application No. 18093

ORIGINAL

BY THE COMMISSION:

O P I N I O N

Sneible-Tavernetti Company has applied to the Railroad Commission for permission to execute a deed of trust and note in the principal amount of \$10,000.00 payable in monthly installments of \$250.00 with interest at the rate of seven percent per annum, and also for permission to sell and convey real property.

It appears that Sneible-Tavernetti Company is a corporation organized during November, 1914, under the laws of the State of California. It is engaged primarily in the general retail merchandise business in the unincorporated town of Gonzales, Monterey County. By Decision No. 24097, dated October 5, 1931, it was granted a preliminary certificate of public convenience and necessity to operate a water system for the purpose of supplying water for domestic and other purposes in and about said town. Its investment in its water system is reported at \$17,368.15.

The application shows that the company heretofore has executed two deeds of trust covering nonutility property, one secur-

ing the payment of a one year seven percent note for \$28,000.00 dated December 29, 1926 and the other securing the payment of a one year seven percent. note for \$22,000.00 dated November 22,1929. This indebtedness, it is reported, was incurred for the purpose of purchasing ranch properties and erecting a store building.

The corporation now reports that it is necessary to re-finance in part its outstanding indebtedness. Therefore, it has made arrangements with Monterey/^{County}Trust and Savings Bank to execute a deed of trust on certain properties, including its public utility water system, and to issue a \$10,000.00 note payable in monthly installments of \$250.00, with interest at the rate of seven percent per annum. A copy of the proposed deed of trust is filed with the application and appears to us to be in satisfactory form.

Coming to the request of the company to sell and convey real property, it appears that it is its desire to dispose of its real property from time to time as may be deemed necessary and proper by its Board of Directors. Such real property, it is set forth, is not a part or portion of the real or personal property useful or necessary in the performance of applicant's duties or service to the public. Applicant may without an order from the Commission, sell, lease or otherwise dispose of, any properties not necessary or useful in the performance and operation of its public utility water business(Section 50 of Public Utilities Act). It therefore appears unnecessary for us to pass on the company's request to sell such properties.

ORDER

Sneible-Tavernetti Company having applied to the Railroad Commission for permission to execute a deed of trust and note and to sell real properties, the Commission being of the opinion that this

is not a matter in which a public hearing is necessary, and that the money, property or labor to be procured or paid for through the issue of the note is reasonably required for the purpose specified herein, which purpose is not in whole or in part reasonably chargeable to operating expense or to income,

IT IS HEREBY ORDERED, that Sneible-Tavernetti Company be, and it hereby is, authorized to execute a deed of trust substantially in the same form as that filed with the application herein, and to issue its promissory note in the principal amount of \$10,000.00, payable in monthly installments of \$250.00, with interest at the rate of seven percent per annum, for the purpose of paying or refunding in part outstanding indebtedness, provided:-

1. That 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. That applicant keep such record of the issue of the note herein authorized as will enable it to file within thirty(30) days thereafter a verified report, as required by the Railroad Commission's General Order No. 24.
3. That 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.

IT IS HEREBY FURTHER ORDERED, that the request of Sneible-Tavernetti Company to sell and convey real property, not used or useful in the performance of applicant's public utility duties, be, and it hereby is, dismissed without prejudice.

DATED at San Francisco, California, this 7th day of May, 1932.

C. C. [Signature]

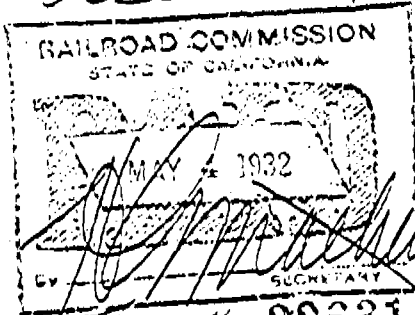
W. A. [Signature]

W. B. [Signature]

Fred G. [Signature]

Commissioners.

Fee \$ 25⁰⁰/₁₀₀



Fee # 29631