

SR

Decision No. 10776

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of the  
RIO VISTA TELEPHONE & TELEGRAPH COMPANY } Application No. 7972.  
for authority to issue a promissory note }  
for \$3,500.00 }

ORIGINAL

John M. Sullivan for applicant.

BENEDICT, Commissioner.

O P I N I O N

In this application, as amended at the hearing, RIO VISTA TELEPHONE & TELEGRAPH COMPANY asks permission to issue to J. C. HAMILTON its unsecured 7 per cent promissory note, payable on or before four years after date, in the principal amount of \$3,500.00, in lieu of a note of like amount issued on January 6, 1920, without an order from the Railroad Commission.

The record shows that on January 6, 1920, the company issued its one year 7 per cent promissory note for \$3,500.00 to J. C. Hamilton to refund two 7 per cent notes then outstanding. It appears that one note so refunded, in the principal amount of \$1,000.00, was issued on April 6, 1918, to provide funds for the construction of extensions to applicant's properties consisting of about six miles of line, and that the other, for \$2,500.00, was issued on January 6, 1917, to refund indebtedness then outstanding which had been incurred in 1914 for the purpose of reconstructing applicant's line from Denverton to Suisun, and of making other necessary

repairs and replacements.

The note for \$3,500.00, dated January 6, 1920, was issued without an order from the Railroad Commission. It appears, however, that the note was issued through inadvertence and with no intent to evade the provisions of the Public Utilities Act. In my opinion, the note heretofore issued is void, and a new note should be issued to refund the indebtedness represented by it.

I herewith submit the following form of Order.

#### O R D E R

RIO VISTA TELEPHONE & TELEGRAPH COMPANY having applied to the Railroad Commission for permission to issue its promissory note in the principal amount of \$3,500.00, a public hearing having been held and the Commission being of the opinion that applicant's request should be granted as herein provided;

IT IS HEREBY ORDERED that RIO VISTA TELEPHONE & TELEGRAPH COMPANY be, and it is hereby, authorized to issue to J. C. HAMILTON, on or before December 31, 1922, at not less than face value, its unsecured promissory note in the principal amount of \$3,500.00.

The authority herein granted is subject to the following conditions:

1. The note herein authorized shall be issued to refund the indebtedness represented by the \$3,500.00 note, dated January 6, 1920, now outstanding, which note shall be returned to applicant and canceled.

2. The note herein authorized shall bear interest at not exceeding 7 per cent per annum and shall mature on or before four years after date.

3. Applicant shall keep such report of the issue of the note herein authorized and of the disposition of the proceeds as will enable it to file on or before the 25th day of each month a verified report 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.

4. The authority herein granted will not become effective until applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is \$25.00.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 25<sup>th</sup> day of July, 1922.

H. B. Brundage

Paul H. Bruce

J. T. Brennan

Fee \$25.00

H. S. Matthews

Commissioners.