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ORIGINAL

Decision No. 2605

Decision No. _____

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of the DEL NORTE PEOPLES TELEPHONE)
COMPANY (a corporation) for consent)
to the renewal of a certain note.)

Application No. 1771.

LOVELAND, Commissioner.

O P I N I O N

In this application, Del Norte Peoples Telephone Company asks for authority to renew a note for the sum of \$1,000.00 and to execute a chattel mortgage to secure the payment of said note.

Applicant reports that on January 11, 1911, in order to acquire a telephone exchange, located in Crescent City, Del Norte County, California, it had to borrow \$1,500.00 from the Bank of Crescent City. As an evidence of its indebtedness, applicant executed its one year 8-1/2 per cent promissory note for the principal sum of \$1,500.00. On July 16, 1913, applicant reports, that it paid \$500.00 on said note, leaving a balance of \$1,000.00 unpaid. The note is secured by a chattel mortgage.

In its Annual Report for the year ended December 31, 1914, applicant reports Assets and Liabilities as follows:

Assets:

Fixed Capital.	\$ 11,581.21
Cash and Deposits	704.75
Accounts Receivable	<u>1,221.89</u>
Total Assets.	\$ 13,507.85

Liabilities:

Capital Stock Outstanding	\$ 7,942.50
Funded Debt	1,350.00
Bills Payable	50.00
Accounts Payable	615.50
Other Current Liabilities.	160.19
Taxes Accrued	197.46
Interest Accrued	159.01
Other Liabilities Accrued.	58.02
Surplus invested in Plant.	2,651.16
Surplus Uninvested	<u>324.01</u>
Total Liabilities	\$ 13,507.85

The Annual Report for the year ended December 31, 1914, shows the following earnings and expenses:-

Operating Revenues	\$ 6,977.40
Operating Expenses	<u>5,657.53</u>
Net Operating Revenues.	\$ 1,319.87
Less-Uncollectible Operating Rev...\$147.62	
Less-Taxes Assignable to operation. <u>197.46</u>	
Total Deductions	<u>\$ 345.08</u>
Operating Income	\$ 974.79
Non-Operating Revenues	<u>23.60</u>
Gross Income	\$ 998.39
Deductions from Gross Income:-	
Rent.....\$220.00	
Interest.....109.32	
Miscellaneous18.22	
Total Deductions from Gross Income	<u>347.54</u>
Net Income for Year.	\$ 650.85

I herewith submit the following form of Order:

O R D E R

Del Norte Peoples Telephone Company having applied to this Commission for authority to renew for a term of one year, a note for the principal sum of \$1,000.00, payable to Bank of Crescent City, with interest at 8-1/2 per cent per annum, and for authority to execute a chattel mortgage to secure said note, and a hearing having been held;

IT IS HEREBY ORDERED that Del Norte Peoples Telephone Company be given, and hereby is given authority to renew for a period not exceeding one year, a note for the principal sum of \$1,000.00, payable to Bank of Crescent City with interest at the rate of 8-1/2 per cent per annum;

IT IS HEREBY FURTHER ORDERED that Del Norte Peoples Telephone Company be given, and hereby is given authority to execute a chattel mortgage to secure the payment of the note herein authorized.

The authority herein given is given upon the following conditions and not otherwise:-

1. Applicant shall report to this Commission the name of the payee, the date of issue, the date of maturity, the rate of interest and the face value of the note, within thirty days after the renewal of the note herein authorized.
2. Applicant shall file with this Commission a copy of the chattel mortgage herein authorized to be executed, within thirty days, after its execution.
3. The authority herein granted is conditioned upon the payment of the fee prescribed by the Public Utilities Act as amended.

4. The authority herein given shall apply only to such note as may be issued on or before September 30, 1915.

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 16th day of July, 1915.

Howard
W. Gordon
Edwin D. Egerton
Franz Berlin
Commissioners.