

Decision No. _____

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA.

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ORIGINAL

Decision No. 2667

In the matter of the Application of
THE SOUTHERN SIERRAS POWER COMPANY
for authority to issue three promis-
sory notes in the sum of \$25,000
each.

Application No. 1739

I.B. Potter, for applicant.

EDGERTON, Commissioner.

OPINION.

This is an application of THE SOUTHERN SIERRAS POWER COMPANY, operating in the counties of Inyo, Kern, Riverside and San Bernardino, for authority to renew three promissory notes in the total sum of \$75,000, and to secure the same by a pledge of an equal amount of first mortgage 6 per cent. 25 year bonds.

The notes which applicant desires to renew are in favor of the following parties:

PAYEE	: ORIGINAL DATE	: DATE OF MATURITY	: INTEREST	: PRINCIPAL
International Trust Company of Denver,	: Sept. 23, 1913	: Sept. 23, 1915	: 6%	: \$25,000
First National Bank of Denver	: July 9, 1914	: July 9, 1915	: 6%	: 25,000
Denver National Bank of Denver	: Oct. 16, 1913	: Oct. 16, 1915	: 6%	: 25,000

Applicants asks for authority to renew the notes from time to time for a period not exceeding two years.

Applicant reports that the funds obtained through the issuance of the notes were used for the following purposes:

For acquisition and construction of property, . . .	\$66,350
To pay bond interest,	<u>8,650</u>
Total,	\$75,000

Certain of the items for which the note to Denver National Bank of Denver was originally given are clearly not purposes for which notes may ordinarily be issued under the terms of the Public Utilities Act. However, applicant has large open accounts payable with system corporations for construction work and I shall assume that the amounts in question are chargeable against these accounts.

Applicant also asks for authority to pledge 75 of its first mortgage 6 per cent. 25 year bonds issued under this Commission's Decision in Application No. 1391, as security for the notes herein applied for.

I herewith submit the following form of Order.

O R D E R.

THE SOUTHERN SIERRAS POWER COMPANY having applied to this Commission for authority to issue three promissory notes in the total sum of \$75,000 and to pledge as security an equal amount of first mortgage bonds,

And a hearing having been held and it appearing to this Commission that applicant's request is reasonable and should be granted;

IT IS HEREBY ORDERED that The Southern Sierras Power Company be, and it is hereby authorized to issue for a period not exceeding two years its promissory notes to the following parties:

PAYEE	:DATE OF :ORIGINAL NOTE	: DATE OF :MATURITY	:INTEREST	:PRINCIPAL:
International Trust Company of Denver	:Sept. 23, 1913:	: Sept. 23, 1915:	: 6%	: \$25,000
First National Bank of Denver	: July 9, 1914:	: July 9, 1915 :	: 6%	: 25,000
Denver National Bank of Denver	: Oct. 16, 1913:	: Oct. 16, 1915 :	: 6%	: 25,000

IT IS FURTHER ORDERED that The Southern Sierras Power Company be, and it is hereby authorized to pledge as security for said notes an equal amount par value of its first mortgage 6 per cent. 25-year bonds, the issuance of which has been authorized by this Commission in its Decision No. 2175 dated February 27, 1915, and Decision No. 2244 dated March 19, 1915.

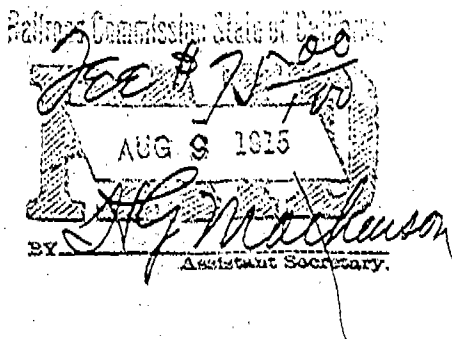
The authority herein granted is granted upon the following conditions and not otherwise:

- (1).-- Applicant may issue the notes herein authorized for periods of four months, and thereafter from time to time renew the notes periodically without further authority from this Commission, provided that the term for which the notes are originally issued plus the term of the renewals shall not exceed two years.
- (2).-- Applicant shall not pay more than 6 per cent interest per annum on the notes herein authorized.
- (3).-- Applicant shall report to this Commission within thirty days after the issuance or renewal of any notes herein authorized to be issued or renewed, the name of the payee, the term of the note, the rate of interest and the face amount of each note, and the number of bonds pledged to secure the notes.
- (4).-- The authority herein granted to issue notes and pledge bonds shall not become effective until the payment by applicant of the fee prescribed in the Public Utilities Act.

(5).-- The authority herein granted shall apply only to such notes as shall have been issued, and such bonds as shall have been pledged on or before April 5, 1917.

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 4th day of August, 1915.



Max Thelen
H. G. MacKenzie
Frank R. Debra
Commissioners.