

Decision No. 3379

ORIGINAL

Decision No.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application }
of PORT COSTA WATER COMPANY for } Application No. 2274.
authority to renew a promissory }
note for \$9,000.00. }

J. P. Rothwell for applicant.

BY THE COMMISSION.

O P I N I O N.

This is an application by Port Costa Water Company for authority to issue a promissory note to the Bank of California N.A. in renewal of a one day promissory note dated June 1, 1915, maturing one day after date and bearing interest at the rate of 6% per annum.

Public hearings were held in San Francisco on May 22 and May 25, 1916. From the evidence it appears that applicant's total indebtedness consists of a note secured by a mortgage to the German Savings and Loan Society for \$201,436.66, and a note to the Bank of California N.A. for \$9,000.00. It further appears that applicant's operative revenues for the year 1915 were \$71,131.41, while its operating expenses for the same period were \$31,111.57, leaving a net operating revenue of \$40,019.87.

Moreover, it appears that the note for \$9,000.00 represents the balance due upon notes aggregating \$19,000.00 issued in 1911, which notes or the proceeds thereof were used by appli-

cant for the acquisition of property and for the construction, extension and improvement of its facilities. Under all the circumstances we feel that the application should be granted.

O R D E R.

PORT COSTA WATER COMPANY having applied for an order authorizing the issue of a promissory note in renewal of its one day promissory note for \$9,000.00, payable to Bank of California, N.A., bearing interest at the rate of 6% per annum and dated June 1, 1915, and a public hearing having been held upon said application, and the Railroad Commission finding that the purposes for which said note or the proceeds thereof were used were not in whole or in part reasonably chargeable to operating expenses or to income, and that said application should be granted,

IT IS HEREBY ORDERED that Port Costa Water Company be and it is hereby authorized to issue its promissory note for \$9,000.00 bearing interest at a rate not in excess of 6% per annum to Bank of California N.A., in renewal of the above mentioned existing note.

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

1. Port Costa Water Company shall issue said note so as to net not less than the face value thereof.
2. Port Costa Water Company is hereby authorized during the period of eighteen (18) months from the date of this order to issue further notes in renewal of the note herein authorized on the same terms and conditions, provided, that the combined terms of the notes hereby authorized and those issued in renewal thereof shall not exceed two (2) years from the date of this order.

3. Port Costa Water Company shall keep a true and accurate record of the issue of said note or notes herein authorized, and shall on or before the 25th day of the month following the issue of the same make a verified report to this Commission, setting forth the fact and the date of issue, the rate of interest, the application of the proceeds, all in accordance with this Commission's General Order No. 24, which order in so far as applicable, is made a part of this order.

4. This order shall not become effective until Port Costa Water Company has paid the fee specified in Section 57 of the Public Utilities Act.

Dated at San Francisco, California, this 26th
day of May, 1916.

Max Thelen

H. Howard

W. Gordon

Railroad Commission State of California

John W. Johnson

JUN 1 1916

BY John W. Johnson
Assistant Secretary.

Commissioners.