

Decision No. 4819-

ORIGINAL

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Decision No. _____.

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA.

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In the Matter of the Application of)
C. E. L. GRIEST, JR.) Application Number 3274.
for an order authorizing the execu-)
tion of a trust deed and note.)

C.E.L. Griest, Jr. for applicant.

BY THE COMMISSION.

O P I N I O N.

C.E.L. Griest, Jr. doing business under the fictitious name of The Light and Power Utility and engaged in distributing electric energy at Banning, Riverside County, asks authority to issue a 1-year 8 per cent note for the principal sum of \$1,000.00 and to execute a deed of trust to secure the payment of the note.

A public hearing was held in this matter by Examiner Westover.

Applicant desires to use the proceeds of the note for the following purposes:

To pay balance due on the \$600.00 note. issued to The Sierra Construction Company,	\$450.00
To pay interest on said note,	5.61
To complete office building,	200.00
For line Extension,	<u>344.39</u>
Total,	\$1,000.00

Applicant is engaged in constructing a \$1,000.00 office building and proposes to construct a 2,250 foot extension at an estimated cost of \$400.00.

The testimony shows that a large part of the earnings of this utility have been expended for capital purposes and that it is proper in view of such expenditures to permit the utility to use part of the proceeds of the note to pay interest.

For a description of applicant's plant and the cost thereof, reference is here made to Decision Number 2441, dated June 4, 1915, (Vol. 7, Opinions and Orders of the Railroad Commission of California, pg. 7) and Decision Number 3463, dated June 27, 1916, (Vol. 10, Opinions and Orders of the Railroad Commission of California, pg. 480).

Attached to the application is a copy of the proposed deed of trust to be executed to the Riverside Abstract Company, trustee, to secure the payment of the \$1,000.00 note to be issued to the First National Bank of Banning. The deed of trust covers all of applicant's properties used in the operation of its lighting system in the City of Banning, Riverside County.

O R D E R.

C.E.L. GRIEST, JR., having applied to the Railroad Commission for authority to issue a 1-year 8 per cent \$1,000.00 note and execute a deed of trust,

and a public hearing having been held and it appearing that the money to be procured by the issue of said note is reasonably required for the purposes specified in the order, and that such purposes are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that C. H. L. Ghriest, Jr., engaged in an electric distributing business under the fictitious name of The Light and Power Utility he, and he is hereby, authorized to issue a 1-year 8 per cent note for the principal sum of \$1,000.00 and to execute a deed of trust substantially in the same form as the deed of trust attached to the petition herein.

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

1.- The note herein authorized to be issued shall be issued for not less than the face value thereof.

2.- The proceeds of the note herein authorized to be issued shall be used for the following purposes:

(a).- To pay balance due on The Sierra Construction Company note together with interest thereon	\$455.61
(b).- To complete office building, about	200.00
(c).- To pay for line extension, about	344.39
Total	<u>\$1,000.00</u>

3.- The approval herein given of said deed of trust is for the purpose of this proceeding only and is an approval only in so far 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 said deed of trust may be subject.

4.- Applicant shall keep separate, true and accurate accounts showing the receipt and application in detail of the pro-

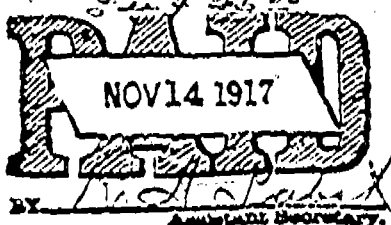
ceeds of the notes herein authorized to be issued and on or before the twenty-fifth day of each month applicant shall make verified reports to the Commission stating the disposition of the note herein authorized to be issued and of the proceeds thereof, and in this and all other respects applicant shall comply full with this Commission's General Order No. 24, which order, in so far as applicable, is made a part of this order.

5.- The authority herein granted is conditioned upon the payment by applicant of the fee prescribed in the Public Utilities Act.

6.- The authority herein granted to issue said note and execute said deed of trust shall apply only to such note as may be issued and such deed of trust as may be executed on or before December 15, 1917.

Dated at San Francisco, California, this 7th day of November, 1917.

Railroad Commission State of California



Max Thelen
H. S. Howard

Francis R. DeWitt
Commissioners.