

ORIGINAL

MM

Decision No. _____

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of SUTTER BUTTE CANAL COMPANY, a)
corporation, for an order authoriz-) Application No. 3618.
ing the issue of certain notes to)
Gridley Land & Irrigation Company.)

Issac Frohman, for applicant.

BY THE COMMISSION.

O P I N I O N

Sutter Butte Canal Company asks authority to issue 6 per cent notes aggregating \$8,000.00. One of the notes having a face value of \$2,000.00 will be payable on or before December 31, 1918, one note for \$1,000.00 on or before July 1, 1919, one note for \$1,000.00 on or before December 31, 1919, one note for \$1,000.00 on or before December 31, 1920, and one note for \$3,000.00 on or before December 31, 1922.

A hearing was held before Examiner Westover at San Francisco on March 30, 1918.

On February 11, 1918 the Railroad Commission by Decision Number 5125 authorized Gridley Land & Irrigation Company to sell on or before April 1, 1918 to the Sutter Butte Canal Company for \$10,000.00 an irrigation distributing system in the vicinity of Gridley, a description of said system being contained in the Commission's decision.

Sutter Butte Canal Company desires to use the proceeds from the notes herein authorized to be issued for the purpose of paying in part for the properties which it has since acquired from the Gridley Land & Irrigation Company pursuant to said Decision Number 5125. The advisability of the transfer of these properties was considered by the Commission in connection with Application Number 3508. The record in that proceeding is in evidence here.

Under the provisions of the Public Utilities Act, the \$2,000.00 note payable on or before December 31, 1918, may be issued without an order from the Railroad Commission.

O R D E R.

SUTTER BUTTE CANAL COMPANY having applied to the Railroad Commission for authority to issue notes aggregating \$8,000.00, a public hearing having been held and the Commission being of the opinion that the property to be acquired by such issue is reasonably required for the purpose specified in the order, which purpose is not in whole or in part reasonably chargeable to operating expenses or to income:

IT IS HEREBY ORDERED that SUTTER BUTTE CANAL COMPANY be, and it is hereby, granted authority to issue to the Gridley Land & Irrigation Company 6 per cent notes of an aggregate face value of \$6,000.00, upon the following conditions:-

- (1).-- Of the notes herein authorized to be issued, one note for \$1,000.00 shall be payable on or before July 1, 1919, one note for \$1,000.00 shall be payable on or before December 31, 1919, one note for \$1,000.00 shall be payable on or before December 31, 1920, and one note for \$3,000.00 shall be payable on or before December 31, 1922.

(2).-- The proceeds of the notes shall be used by applicant to pay in part for the properties which it has acquired pursuant to Decision Number 5125, dated February 11, 1918.

(3).-- Sutter Butte Canal Company shall file monthly reports with the Railroad Commission as required by the Commission in its General Order Number 24, which order, in so far as applicable, is made a part of this order.

(4).-- The authority herein granted shall not become effective until applicant has paid the fee prescribed by the Public Utilities Act.

(5).-- The authority herein granted to issue notes shall apply only to such notes as shall have been issued on or before June 1, 1918.

Dated at San Francisco, California, this 1st
day of ^{April} ~~April~~, 1918.



Max Shuler
H. B. Loveland
Lee Gordon
Edwin O. Edgerton
Francis R. Shuler

Commissioners.