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ORIGINAL

Decision No. 5216

Decision No. _____

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

* * *

In the Matter of the Application of CALIFORNIA POWER AND MANUFACTURING COMPANY, a corporation, and W.P. HAMMON, authorizing said corporation to mortgage a public utility, to-wit: an electric plant and system, to said W.P. HAMMON.

Application NUMBER 3615.

Thomas H. Breeze for applicants.

BY THE COMMISSION.

OPINION.

CALIFORNIA POWER AND MANUFACTURING COMPANY asks authority to execute a mortgage substantially in the same form as the mortgage attached to the petition herein and marked Exhibit "A", to secure the payment of a \$6,200.00 6 per cent demand note to be issued to W.P. Hammon.

By Decision Number 1184, dated December 31, 1913 (Vol. 3, Opinions and Orders of the Railroad Commission of California, pg.1225) the Railroad Commission authorized Ernest Florin and Fred Florin, co-partners doing business under the firm name of Florin Bros., to sell to California Power and Manufacturing Company the property described in said decision for the sum of \$25,000.00. The agreement of sale provided that \$5,000.00 of the purchase price should be paid on or before January 15, 1914; \$5,000.00 on or before January 1, 1915; \$5,000.00 on or before January 1, 1916; \$5,000.00 on or before January 1, 1917, and \$5,000.00 on or before January 1, 1918, -the deferred payments to bear interest at the rate of 6 per cent per annum payable

annually. The testimony in this proceeding shows that all of the installments, with the exception of the last, have been paid; that the payment of the last installment has been extended to April 1, 1918, and that the interest accrued on this last payment from April 1, 1914 amounts to \$1,200.00, making a total payment due on April 1, 1918 of \$6,200.00.

California Power and Manufacturing Company has made arrangements to borrow \$6,200.00 from W.P. Hammon for the purpose of meeting this payment. To secure the payment of the \$6,200.00 to be borrowed from W.P. Hammon, on a 6 per cent demand note, the company proposes to execute a mortgage substantially in the same form as that attached to the petition herein and for the purpose of identification having been marked Exhibit "A". In general, the proposed mortgage covers the operative property of California Power and Manufacturing Company. Reference is here made to the mortgage for a description of the properties covered thereby.

No one appeared at the hearing to protect against the execution of the mortgage to secure the payment of the \$6,200.00 note.

O R D E R.

CALIFORNIA POWER AND MANUFACTURING COMPANY having applied to the Railroad Commission for authority to mortgage certain of its properties to secure the payment of a \$6,200.00 note, a hearing having been held and it appearing to the Railroad Commission that this application should be granted,

IT IS HEREBY ORDERED that CALIFORNIA POWER AND MANUFACTURING COMPANY be, and it is hereby, granted authority to execute a mortgage substantially in the same form as the mortgage attached to the petition herein and marked Exhibit "A", provided that the approval herein given of said mortgage 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 mortgage as to such other legal requirements to which said mortgage may be subject; provided further, that the authority herein granted shall apply only to such mortgage as may be executed on or before June 1, 1918, and that within thirty days after the execution of the mortgage, California Power and Manufacturing Company shall file with the Railroad Commission a verified copy.

April Dated at San Francisco, California, this 2d
day of ~~March~~, 1918.

Max Heister
H. D. Loveland

Edwin C. Edgerton
Frank R. DeLeon

Commissioners.