ORIGINAL

Decision No. 63.54

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the OCEAN PARK HEIGHTS LAND AND WATER COMPANY and ANNIE DELL SEGNO for an order authorizing the execution of a note and mortgage.

Application No. 4521.

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## Walter E. Burke, for applicant.

BRUNDIGE, Commissioner.

## OBINION

Annie Dell Segno, operating a public utility water plant under the fictitious name and style of Ocean Park Heights Land and Water Company, asks permission to issue to Walter E. Burke a 3-year 6 per cent note for \$3,896.65 and execute a mortgage to secure the payment of the note.

The record shows that applicant employed Walter E. Burke as attorney; that he represented applicant in various court proceedings and in two proceedings before this Commission; that there is due him for services rendered the sum of \$3,896.65, and that a comparatively small part of the \$3,896.65 represents a charge for services rendered in connection with applicant's public utility operations. Even such indobtedness as was incurred because of public utility operations is chargeable to operating expenses rather than to capital account.

It occurs to me that the Commission under the facts of this case cannot, because of the provisions of Section 51 and 52 of the Pablic Utilities Act, permit applicant either to mortgage her public utility properties, or in her public utility capacity, issue a note for the purpose of meeting an obligation incurred in connection with non-public utility business.

I herewith submit the following form of Order :-

## ORDER

ANNUE DELL SEGNO, operating a public utility water plant under the fictitious name and style of Ocean Park Heights Land and Water Company, having applied to the Railroad Commission for permission to issue a note and execute a mortgage, a public hearing having been held, and the Commission being of the opinion that this application should be denied for the reasons set forth in the foregoing Opinion;

IT IS HEREBY ORDERED that the application of Annie Dell Segno, operating a public utility water plant under the fictitious name and style of Ocean Park Heights Land and Water Company, for permission to issue a note and execute a mortgage, be, and it is hereby, denied without prejudice.

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 -26 -day of May, 1919.

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