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Decision No. 6389.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA.

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In the Matter of the Application of the)
DURHAM LIGHT AND POWER COMPANY, J.A.)
FOSTER, owner and manager, for permission)
to issue notes.)

Application No. 4523.

LOVELAND, Commissioner.

O P I N I O N.

J.A. FOSTER operating an electrical distributing system under the fictitious name and style of Durham Light and Power Company, asks permission to issue \$15,400 face value of notes.

The record herein shows that on December 17, 1912, applicant entered into a contract with the Pacific Gas and Electric Company for the construction of a unit of applicant's distributing system in Durham and vicinity. From time to time, the system has been extended.

On December 31, 1918, applicant reported assets and liabilities as follows:

ASSET ACCOUNTS:

Fixed Capital,	\$20,716.07
Cash,	280.01
Due from Consumers and Agents,	1,295.62
Materials and Supplies,	1,011.13
Deficit,	<u>31.85</u>

TOTAL ASSET ACCOUNTS, . . \$23,334.68

LIABILITY ACCOUNTS:

Investment,	2,752.56
Notes Payable,	15,400.00
Accounts Payable,	2,952.12
Reserve for Accrued Depreciation	<u>2,230.00</u>

TOTAL LIABILITY ACCOUNTS, . . \$23,334.68

Applicant without an order from the Railroad Commission has from time to time issued notes. The face value of the notes is reported at \$15,400. Under the provisions of the Public Utilities Act, the notes are null and void. I am satisfied, however, that applicant issued the notes inadvertently, with no intent to evade the provisions of the Public Utilities Act and that the moneys obtained through the issue of notes have been expended to extend the system and improve the service. The notes outstanding should be cancelled and new notes issued in lieu thereof pursuant to the authority granted by the Commission.

I herewith submit the following form of Order.

O R D E R.

DURHAM LIGHT AND POWER COMPANY, J.A. FOSTER owner and manager, having applied to the Railroad Commission for permission to issue notes, a public hearing having been held and the Commission being of the opinion that the money, property or labor to be procured or paid for by such issue is reasonably required for the purpose or purposes specified herein,

IT IS HEREBY ORDERED that DURHAM LIGHT AND POWER COMPANY, J.A. FOSTER owner and manager, be, and it is hereby, granted authority to issue within sixty days after the date hereof \$15,400 face value of 1-year notes, bearing interest at not exceeding 7 per cent per annum, for the purpose of refunding the indebtedness represented by the notes referred to in the petition herein, provided that before any of the notes herein authorized are issued the notes now outstanding shall be cancelled and returned to applicant; and provided further that the authority herein granted shall not become effective until applicant has paid the fee prescribed by the Public Utilities Act; and provided further

that applicant shall file with the Railroad Commission within ninety days after the date hereof a statement showing the face value of the notes issued, the term of the notes, the name of the payees and the rate of interest together with a statement showing that all of the notes referred to in the petition herein have been cancelled.

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 5th day of June, 1919.

State of California
JUN 9 1919
BY H. C. Anderson
Assistant Secretary

Edwin O. Edgerton
H. S. Loveland
Frank R. Bell
H. T. Brundage

Commissioners.