Decision No. <u>6578</u>.



BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the Matter of the Application of) EAST SIDE CANAL AND IRRIGATION COMPANY,) a corporation, for an order authorizing the issue of note or other evidences of indebtedness.

Application Number 4810.

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MoWilliams & Hatfield by Goo. J. Hatfield, for applicant.

EOVELAND, Commissioner.

OBINION-

EAST SIDE CANAL AND IRRIGATION COMPANY asks permission to issue a note for \$4,000, payable on or before three years after date, together with interest at not to exceed 8% per annum.

The record shows that applicant intends to construct a permanent dam at the head of its canal on the San Joaquin River. The structure proposed is to consist of a foundation of ten inch by ten inch timbors on ten inch by ten inch piling driven into firm material, floored and with a collapsible weir crest capable of reising the water 4 feet, erected thereon. Heretofore, applicant has always used a tomporary sand dam for the diversion of water from the river into its canal. The average cost of constructing this sand dam was from \$250 to \$300 per year. It required from 5 days to 2 weeks to construct the dam and necessitated an interruption of service for that time. Through the

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construction of a permanent collapsible weir, as contemplated, reports that it applicant/will be able to erect an effective diversion dam across the river in a few hours and without any interruption of service. The record clearly shows that the construction of the improvement will be beneficial to the consumers of the East Side Canal and Irrigation Company.

George J. Hatfield, president of the East Side Canal and Irrigation Company, testified that while the cost of the dam and improvements was estimated at \$4,000, it was not the intention of the company to borrow more money than absolutely necessary to pay for the construction of the dam and the improvements.

The note which applicant intends to issue will not constitute a lien on the properties of the company.

I herewith submit the following form of Order.

ORDER.

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EAST SIDE CANAL AND IRRIGATION COMPANY having applied to the Railroad Commission for permission to issue a note, 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 in this order, and that the expenditures for such purpose or purposes are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that EAST SIDE CANAL AND IRRIGA-TION COMPANY be, and it is hereby, authorized to issue, on or before December 15, 1919, for not less than the face value thereof a note for \$4,000 or less, payable on or before three years after date together with interestatment to exceed 8 per cent per annum, and use the moneys obtained through the issue of said note to pay for the

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construction of the dam and improvements described in the petition herein, provided:

- 1.-- That applicant will file within 30 days after the issue of the noto herein authorized a copy of said note and a detailed statement of the cost of building the dam and improvements referred to herein within 30 days after their completion;
- 2.-- That the authority herein granted will not become offective until applicant has paid the fee prescribed by the Public Utilities Act.

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 _______ day of August, 1919.

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Commissioners.

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