

Decision No. 6589.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF
THE STATE OF CALIFORNIA.

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In the Matter of the Application of)
the NAPA VALLEY ELECTRIC COMPANY)
for an order authorizing the renewal)
of 1-year promissory notes.)

Application No. 4829.

F.W. Mielenz, for applicant.

LOVELAND, Commissioner.

O P I N I O N.

NAPA VALLEY ELECTRIC COMPANY asks permission to issue promissory notes in the aggregate face value of \$9,000.

Applicant reports the following notes outstanding:

<u>P a y e e</u>	<u>Date</u> <u>of</u> <u>Maturity</u>	<u>Rate</u> <u>of</u> <u>Interest</u>	<u>Face</u> <u>Amount</u>
Carver National Bank	Aug. 1-1919	7%	\$3,000
Bank of St. Helena	Feb. 1-1919	6%	5,000
Bank of St. Helena	Dec. 22-1919	6%	1,000
	Total,.....		9,000

The record shows that applicant has issued the foregoing notes pursuant to the authority granted by the Commission in Decision No. 4388, dated June 12, 1917, and that it has been necessary for applicant to use its net earnings to pay for the construction of improvements, extensions, additions and betterments to its plant and system rather than to pay its note indebtedness. The banks holding the notes have expressed a willingness to accept new notes

in renewal of the notes now held by them. Applicant asks permission to issue notes for a period of three years or less.

I herewith submit the following form of Order.

O R D E R

NAPA VALLEY ELECTRIC COMPANY having applied to the Railroad Commission for permission to issue notes, a public hearing having been held and it appearing to the Commission that the money to be procured by the issue of the notes is reasonably required for the purpose specified in the order, and that the expenditures for such purpose are not in whole or in part reasonably chargeable to operating expenses or to income;

IT IS HEREBY ORDERED that NAPA VALLEY ELECTRIC COMPANY be, and it is hereby, authorized to issue its three-year promissory notes in the aggregate principal sum of \$9,000.

The authority herein granted is upon the following conditions and not otherwise:

1.--- The notes herein authorized to be issued shall be issued in exchange for and upon cancellation of the following promissory notes referred to in the petition herein:

P a y e e	Maturity	Rate of Interest	Amount
Carver National Bank	August 1 - 1919	7%	\$ 3,000
Bank of St. Helena	February 1 -1919	6%	5,000
Bank of St. Helena	December 22-1919	6%	<u>1,000</u>
Total,.....			\$ 9,000

2.--- Applicant may, if it so desires, issue notes for a period of less than three years and renew said notes, from time to time, with new notes provided that the combined terms of the

notes herein authorized and those issued in renewal thereof will not exceed three years from the date hereof.

3.-- Napa Valley Electric Company shall keep such record of the issue of the notes herein authorized and of the disposition of the proceeds, as will enable it to file on or before the twenty-fifth day of each month a verified report, as required by the Railroad Commission's General Order No. 24, which order, in so far as applicable, is made a part of this order.

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 16th day of August, 1919.

Fee \$ 25⁰⁰/₁₀₀
J. H. Matthews

Edwin O. Engleton
H. D. Leonard
Frank R. Dudley

Commissioners.