

Decision No. 6594.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the Matter of the Application of
DELTA TELEPHONE AND TELEGRAPH COMPANY,
a corporation, for permission to issue
promissory note.

Application No. 4875.

Devlin & Devlin, for applicant.

LOVELAND, Commissioner.

O P I N I O N.

DELTA TELEPHONE AND TELEGRAPH COMPANY asks permission to issue an \$8,000 6 per cent 1-day note to the National Bank of D.O. Mills and Company, or to leave outstanding in the hands of the bank the \$8,000 6 per cent 1-day note issued August 14, 1918. The jurisdiction of the Commission extends only to the issue of the new 1-day note referred to in the petition herein.

The testimony shows that on August 14, 1918, applicant borrowed \$8,000 from the National Bank of D.O. Mills and Company, and as an evidence of such indebtedness issued its 1-day 6 per cent note, and that all of the \$8,000 was expended to pay for additions and betterments to applicant's plant and system.

Applicant reports that it reconstructed its pole line on Sutter Island, strung 109 miles of new wire largely on the new pole line on Sutter Island, reconstructed its pole and wire line between its Courtland office building and store, extended cables at Isleton and reconstructed its pole and wire lines in Reclamation District No. 744 made necessary by levee changes.

Applicant pursuant to authority granted in Decision Number 4962, dated December 13, 1917, (Vol. 14, Opinions and Orders of the Railroad Commission of California, pg. 729) issued \$41,650 of common and \$40,000 of preferred stock for the purpose of acquiring the properties of New Freeport Telephone and Telegraph Company. Applicant has issued no stock other than that referred to and reported its total indebtedness as of December 31, 1918, as follows:

Notes Payable,	\$8,000.00
Subscribers' Deposits,	277.00
Taxes Accrued, not due,	373.90
Other Accrued Liabilities, not due,	493.26
	<u>\$9,144.16</u>

Mr. W.E. Hills, auditor of the Delta Telephone and Telegraph Company, testified that all of the company's accumulated surplus, \$5,155.83, on December 31, 1918, has been invested in property.

I herewith submit the following form of Order.

O R D E R.

DELTA TELEPHONE AND TELEGRAPH 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 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 DELTA TELEPHONE AND TELEGRAPH COMPANY be, and it is hereby, authorized to issue to National Bank of D.O. Mills and Company a 6 per cent 1-day promissory note for the sum of \$8,000 for the purpose of refunding the \$8,000 indebtedness represented by the \$8,000 1-day 6 per cent note now held by the bank and referred to in the petition herein, provided:

- 1.-- Delta Telephone and Telegraph Company will file with the Railroad Commission within thirty days after the issue of the note herein authorized a copy of said note;
- 2.-- The authority herein granted will not become effective until applicant has paid the fee prescribed by the Public Utilities Act.
- 3.-- The authority herein granted will apply only to such note as may be issued on or before December 1, 1919.

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 29th day of August, 1919.

Fee \$25 ⁰⁰/₁₀₀
 SEP 3 1919
 H. Madison

Edwin G. Egerton
H. D. Toland
Frank P. Huber
H. V. Brundage
Jerry Martin
 Commissioners.