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Decision No. 8778

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of)	
TIDEWATER SOUTHERN RAILWAY COMPANY for)	
an order authorizing the issuance of)	Application Number 6626.
Forty Nine Thousand Dollars(\$49,000.))	
par value of its First Mortgage Five)	
Per Cent Thirty Year Gold Bonds.)	

Lester J. Hinsdale and James S. Moore, Jr.
by James S. Moore, Jr., for Applicant.

MARTIN, COMMISSIONER.

O P I N I O N.

TIDEWATER SOUTHERN RAILWAY COMPANY asks permission to issue \$49,000.00 of its First Mortgage Five Per Cent Thirty Year Gold Bonds and to pledge them with First Federal Trust Company of San Francisco as security for the payment of its One Year Six Per Cent Promissory Note of like amount.

TIDEWATER SOUTHERN RAILWAY COMPANY is controlled through stock ownership by The Western Pacific Railroad Company. Applicant operates an electric railway between Stockton, San Joaquin County, and Hilmar, Merced County, a distance of about forty-eight miles. Applicant's line of railway passes through Modesto. The franchise secured from the City of Modesto requires, according to Charles Eisey, applicant's secretary, all trains, both freight and passenger, to be operated by electric motive power. At the present time applicant owns only one electric locomotive which is capable of hauling but four cars at one time. To obviate the necessity of using steam locomotives and to give more adequate service, applicant has purchased from the General Electric Company a 60-ton electric lo-

comotive at a cost of \$49,000.00. It is expected that the locomotive will be delivered on or before June 1, 1921. To secure funds to pay for the locomotive, applicant asks permission to issue and pledge with First Federal Trust Company of San Francisco \$49,000. of its First Mortgage 5% Bonds to secure the payment of a one year 6% note for \$49,000.00.

I herewith submit the following form of order:-

 C R D E R .

TIDEWATER SOUTHERN RAILWAY COMPANY, having applied to the Railroad Commission for permission to issue and pledge bonds to secure the payment of a promissory note, a public hearing having been held, and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for by the issue and deposit of the bonds herein authorized, is reasonably required for the purpose specified herein, 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 Tidewater Southern Railway Company be, and it is hereby, authorized to issue \$49,000.00 of its First Mortgage Five Per Cent Bonds and to pledge them with First Federal Trust Company of San Francisco to secure the payment of its one year six per cent promissory note of like amount.

The authority herein granted is subject to the following conditions:-

(1) The proceeds from the issue of the note, the payment of which is to be secured by the pledging of the bonds herein authorized, shall be used to pay the purchase price of the electric locomotive described in Exhibit "2" attached to the petition.

(2) Upon the payment of the note, or any portion thereof, all the bonds, or a proper proportion thereof, shall be returned to applicant's treasury, and thereafter not disposed of in any manner whatsoever, except as authorized by the Commission.

(3) Applicant shall file with the Railroad Commission within 30 days after the issue and deposit of the bonds herein authorized, a copy of the agreement under which the said bonds are deposited.

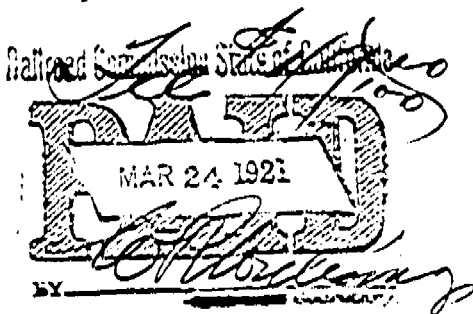
(4) Tidewater Southern Railway Company shall keep such record of the issue and deposit of the bonds herein authorized as will enable it within 30 days after such issue and deposit, to file with the Railroad Commission a verified report, as required by the Railroad Commission's General Order No. 24, which order, in so far as applicable, is made a part of this order.

(5) The authority herein granted to issue and deposit bonds shall not become effective until applicant has paid the fee prescribed by the Public Utilities Act.

(6) The authority herein granted shall apply only to such bonds as may be issued and deposited on or before July 30, 1921.

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 21st day of March, 1921.



Frank P. Lehm
H. L. ...
Dwight ...

Commissioners.