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Decision No. 7003.

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA.

ORIGINAL

In the Matter of the Application of)
MIDLAND COUNTIES PUBLIC SERVICE COR-)
PORATION for authority to renew cer-)
tain notes.)

Application No. 6778.

A.E. Peat for applicant.

BRUNDIGE, Commissioner.

O P I N I O N.

MIDLAND COUNTIES PUBLIC SERVICE CORPORATION asks permission to issue promissory notes in the aggregate amount of \$238,600.00 for the purpose of refunding the following outstanding notes;--

P a y e e	Amount	Rate	Date Due
San Joaquin Light & Power Corporation:	\$20,000	7%	5/2/21
San Joaquin Light & Power Corporation:	50,000	7%	5/2/21
First National Bank of Santa Maria	2,500	7%	5/2/21
Union National Bank of San Luis Obispo	6,000	7%	5/8/21
First National Bank of Fresno	2,500	6 1/2%	5/19/21
Wells Fargo Nevada National Bank	37,500	6 1/2%	5/20/21
Wells Fargo Nevada National Bank	37,500	6 1/2%	5/20/21
Union National Bank of Fresno	11,500	7%	5/25/21
San Joaquin Light & Power Corporation:	50,000	7%	7/15/21
First National Bank of Dinuba	3,000	7%	7/26/21
San Joaquin Light & Power Corporation:	5,600	7%	7/25/21
First National Bank of Coalinga	7,500	7 1/2%	7/30/21
First National Bank of Paso Robles	5,000	8%	8/2/21
Total,	\$238,600		

The record shows that \$95,000.00 of the notes to be renewed were issued pursuant to authority granted by the Railroad Commission in Decision Number 7643, dated May 27, 1920, and that the issue of

the remaining notes, amounting to \$143,600.00, and representing indebtedness incurred for a period of less than one year, have not heretofore been authorized by the Commission.

Mr. A.E. Peat, applicant's treasurer, testified that the moneys obtained through the original issue of the notes to be refunded were used to acquire property and to construct, extend and improve its facilities and service.

The company asks permission to issue the notes for such terms as it deems advisable and to renew them from time to time, provided that the combined terms of such renewals, respectively, shall not exceed one year from the sale of the first renewal.

I herewith submit the following form of Order:

O R D E R.

MIDLAND COUNTIES PUBLIC SERVICE CORPORATION having applied to the Railroad Commission for permission to issue notes, 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 such issue 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 MIDLAND COUNTIES PUBLIC SERVICE CORPORATION be, and it is hereby, authorized to issue, at not less than the face value thereof, its promissory notes in the aggregate amount of \$238,600.00 for terms not exceeding one year each for the purpose of refunding the promissory notes referred to in the preceding opinion.

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

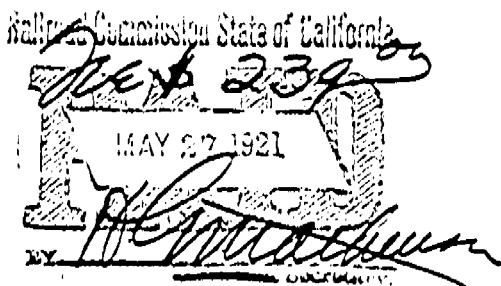
- 1.--The notes herein authorized shall be issued to the same payees, in the same amounts as the notes they are given to renew, and shall bear interest at not exceeding 7 per cent. per annum,

except that any notes, herein authorized, that may be issued to renew outstanding notes now bearing interest exceeding 7 per cent. per annum, may bear interest at a rate not exceeding that of the notes they are given to renew.

- 2.--Applicant may, if it so desires, issue the notes herein authorized for a period of less than one year and renew said notes from time to time, provided that the combined terms of the notes herein authorized and those issued in renewal thereof shall not exceed one year.
- 3.--The authority herein granted will not become effective until applicant has paid the fee prescribed in the Public Utilities Act.
- 4.--Applicant 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 25th 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 23^d day of May, 1921.



H. B. Brundage
Dwight Master
Charles H. Rowell
W. B. Reed

Commissioners.