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Decision No. 9222.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA

In the Matter of the Application of)
SANTA ROSA WATER WORKS)
for an order authorizing it to issue)
notes and to secure the same by deed)
of trust.)

Application No. 6912.

M.L. McDonald, Jr., for applicant.

BRUNDIGE, Commissioner.

O P I N I O N.

SANTA ROSA WATER WORKS asks permission to issue \$32,000.00 face value of notes and execute a deed of trust securing the payment of the notes. A copy of the proposed deed of trust is filed in this proceeding and marked Schedule "B".

On September 12, 1912, the Commission by Decision No. 219 (Vol. I, Opinions and Orders of the Railroad Commission of California, pg. 536) authorized applicant to issue promissory notes in the aggregate face value of \$48,000 and to secure the payment of the notes by deed of trust. Decision No. 219 contains a general description of applicant's properties and a general statement of the conditions under which applicant is operating. Applicant issued the \$48,000.00 of notes and since their issue has paid \$16,000.00 leaving \$32,000.00 still due. The \$32,000.00 represents the total of applicant's indebtedness on June 1, 1921, other than the usual expenses arising from the operation of its properties.

The record shows that applicant has paid no dividends

✓ during the past five years ^{sub} and that its earnings have been adequate to meet its interest payments. I believe that applicant's request should be granted and herewith submit the following form of Order.

O R D E R

SANTA ROSA WATER WORKS having applied to the Railroad Commission for permission to execute a deed of trust and to issue \$32,000.00 of notes payable one year after date and to bear interest at the rate of 7 per cent. per annum, a hearing having been held and the Commission being of the opinion that the money, property or labor to be procured or paid for through the issue of said notes is reasonably required for the purpose specified in this order and that the expenditures for such purposes are not in whole or in part reasonably chargeable to operating expenses or to income;

IT IS HEREBY ORDERED, that SANTA ROSA WATER WORKS be, and it is hereby, authorized to execute a deed of trust substantially in the same form as the deed of trust filed in this proceeding and marked Schedule "B", provided that the authority herein granted to execute a deed of trust is for the purpose of this proceeding only, and is granted in so far as this Commission has jurisdiction under the terms of the Public Utilities Act and is not intended as an approval of said deed of trust as to such other legal requirements, to which said deed of trust may be subject.

IT IS HEREBY FURTHER ORDERED, that SANTA ROSA WATER WORKS be, and it is hereby, authorized to issue a note or notes having an aggregate face value of \$32,000.00, payable one year after date and to bear interest at the rate of not exceeding 7 per cent per annum, for the purpose of paying or refunding the \$32,000.00 of notes referred to in this application.

The authority herein granted is subject to the following conditions:

1.--Santa Rosa Water Works shall keep such record of the issue and sale of the note or notes herein authorized and of the disposition of the proceeds as will enable it to file on or before 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.

2.--The authority herein granted will apply only to such note or notes as may be issued on or before December 31, 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 19th day of July, 1921.

H. A. Brundage
H. L. Howard
Living Martin

Commissioners.