

Decision No. 28828

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
CHARLES H. QUANDT,)
for authority to issue two notes in)
amounts of \$2,299.60 each.)

Application No. 20545

BY THE COMMISSION:

ORIGINAL

OPINION AND ORDER

This is an application by Charles H. Quandt for an order authorizing him to issue two notes in the principal amount of \$2,299.60 each.

It appears that Charles H. Quandt is engaged in the business of supplying water for irrigation, domestic and other purposes in a portion of the City of Torrance. During 1935, so the application shows, he found it necessary to purchase a new Byron Jackson pump for \$2,612.67, including carrying charges of \$299.60, and to install 4,000 feet of new six inch pipe, together with valves and fittings, at a cost of \$2,299.60, including carrying charges of \$299.60.

To finance in part the cost of the new facilities applicant borrowed from Security-First National Bank at Los Angeles, under the National Housing Act, the sum of \$2,299.60 evidenced by a note dated June 24, 1935 payable in monthly installments of \$63.89, including interest, with final payment due on June 24, 1938, and from The American Trust Co. at Berkeley, also under the National Housing Act, the sum of \$2,299.60 evidenced by a note dated December 31, 1935 payable in monthly installments of \$63.88, including interest, with final payment due on December 28, 1938. Applicant reports that he has met all monthly installments on these two notes which would bring the balance unpaid on the note of June 24, 1935 down to \$1,660.70 and the balance unpaid on the note of December 31, 1935 to \$2,044.08.

Although these notes run for a period in excess of twelve months after the respective dates thereof, applicant did not secure permission from this Commission to issue them. It appears, however, that his failure to secure such permission was through inadvertence and with no intent to evade the provisions of the Public Utilities Act. When the issues were questioned by the Commission upon its examination of applicant's 1935 annual report, the present application thereupon was filed.

The Commission has considered applicant's request and is of the opinion that this is not a matter in which a public hearing is necessary, that applicant should be authorized to issue two notes in the face amounts of \$1,660.70 and \$2,044.08 respectively, and that the money, property or labor to be procured or paid for through such issue is reasonably required for the purposes specified herein, which purposes are not, in whole or in part reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED that Charles H. Quandt be, and he hereby is, authorized to issue, for the purpose of paying indebtedness and of financing in part the expenditures referred to herein, his two unsecured promissory notes; one in the face amount of not exceeding \$1,660.70, payable in monthly installments of \$63.89, including interest, with final payment due on or before June 24, 1938, and one in the principal amount of not exceeding \$2,044.08 payable in monthly installments of \$63.88, including interest, with final payment due on or before December 28, 1938, provided-

1. That applicant shall file with the Commission a copy of each note issued under the authority herein granted; and
2. That the authority herein granted will become effective only when applicant has paid the minimum fee prescribed

by Section 57 of the Public Utilities Act, which fee is
Twenty-five (\$25.00) Dollars.

DATED at San Francisco, California, this 18th day of
May, 1936.

W B Davis
Leon O'Whitely
H. J. ...
...
James R. ...
Commissioners.

Fee \$ 25⁰⁰/₁₀₀
RAILROAD COMMISSION
STATE OF CALIFORNIA
MAY 21 1936
...
Fee # 32672