

Decision No. 20165

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
CENTRAL MENDOCINO COUNTY POWER COMPANY)
for an order authorizing the issuance) Application No. 21481
of a note.)

McClymonds, Wells and Wilson, for applicant.

BY THE COMMISSION:

ORIGINAL

OPINION

In this application Central Mendocino County Power Company asks permission to issue to Amy Requa Long its promissory note for the sum of \$104,000. payable on demand, and bearing interest at 6% per annum. The note is to be issued for the purpose of paying outstanding notes in the sum of \$94,000. and providing applicant with \$10,000. to pay the cost of renewals and improvements to its properties.

Central Mendocino County Power Company is engaged in the business of serving electricity and water for domestic, commercial and irrigation purposes to the inhabitants of Willits and neighboring territory, together with Little Lake Valley in Township 17 and 18 North, Ranges 13 and 14 West, M.D.B. & M. in Mendocino County. In 1936 the company's electric revenues amounted to \$49,346.69 and its water revenues to \$14,838.79.

Under the authority heretofore granted by the Commission applicant has issued \$125,000. of common stock, \$75,000. of preferred stock, \$150,000. of first mortgage 6½% bonds and \$30,000. of second mortgage 6% notes. It now has outstanding in the hands of the public \$125,000. of common stock, \$75,000. of preferred stock, \$68,000. of first mortgage bonds and \$3,000. of second mortgage notes. In addition to the foregoing debt, it has outstanding the following

notes:-

Due Amy Requa Long	\$55,940.17
Due Central Bank of Oakland	38,059.83
Due to Bank of Willits	5,000.00
Total . . .	<u>\$99,000.00</u>

It appears that some of the money owing Amy Requa Long , as well as a portion of the money owing the Central Bank of Oakland, was used by applicant for the purpose of paying interest. The \$55,940.17 due Amy Requa Long includes \$28,219.83 represented by a note issued to her under the authority granted by Decision No. 23882 dated July 11, 1931 in Application No. 17491. Because of the issue of such note applicant paid a fee of \$29. as required by Section 57 of the Public Utilities Act.

It appears that Amy Requa Long owns all the outstanding common stock of applicant and about 90% of applicant's outstanding preferred stock. She has agreed to advance to applicant a sum sufficient to enable it to pay the note due the Central Bank of Oakland and to pay for renewals and improvements to its properties, the cost of which is estimated at \$10,000. The renewals and improvements consist of laying about 2160 feet of 10", 1380 feet of 8", 1000 feet of 6" and 1140 feet of 4" Calco Spiral Welded Steel Dipped and Wrapped Pipe, including cross connections and services. In addition, applicant intends to rebuild about 6,000 feet of its electric transmission line.

O R D E R

Central Mendocino County Power Company having asked permission to issue a note for \$104,000. for the purposes stated in the foregoing opinion, the Commission having considered applicant's request and it being of the opinion that this is not a matter in which

a hearing is necessary and that the money, property or labor to be procured or paid for by the issue of said note is reasonably required by applicant for the purposes herein stated, therefore,

IT IS HEREBY ORDERED that Central Mendocino County Power Company be, and it is hereby, authorized to issue after the effective date hereof and prior to January 1, 1938 its unsecured demand note for the sum of \$104,000. bearing interest at the rate of 6% per annum.

IT IS HEREBY FURTHER ORDERED that Central Mendocino County Power Company shall use the proceeds realized from the issue of said note, to pay the \$55,940.17 note due Amy Requa Long, to pay the \$38,059.83 note due the Central Bank of Oakland, and pay for the renewals and improvements referred to in the foregoing opinion and in this application.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Seventy-five (\$75.) Dollars.

IT IS HEREBY FURTHER ORDERED that Central Mendocino County Power Company shall keep such record of the issue, sale and delivery of the note 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-A, which order insofar as applicable, is made a part of this order.

DATED at San Francisco, California, this 27th day of September, 1937.



W. L. ...
Leon ...
John ...
...
Commissioners.