

Decision No. 33680

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of SUTTER BUTTE CANAL CO. for an  
Order authorizing the Issuance of  
unsecured promissory notes.

ORIGINAL

Application No. 23680

BY THE COMMISSION:

OPINION AND ORDER

Sutter Butte Canal Co., a corporation engaged in the business of selling and distributing water for irrigation and other uses in Sutter and Butte Counties, has applied to the Railroad Commission for permission to issue an unsecured promissory note in the principal amount of \$206,000, bearing interest at the rate of four per cent (4%) per annum and maturing on March 3, 1941, for the purpose of refunding outstanding indebtedness.

The application shows that on August 31, 1939, the company issued to Crocker First National Bank of San Francisco, its promissory note for \$210,000, due on March 1, 1940, with interest at the rate of four per cent (4%) per annum, for the purpose of obtaining funds to finance in part the cost of retiring \$945,000 of six and one-half per cent (6½%) bonds then outstanding, which bonds were paid and retired on September 1, 1939.

Thereafter, applicant paid \$1,000 of said note and on

February 27, 1940, issued its renewal note in the amount of \$209,000, bearing interest at the rate of four per cent (4%) per annum and maturing on August 31, 1940. Upon this last mentioned note the company, since its issue, has paid the sum of \$3,000 leaving \$206,000 now outstanding and past due.

The company now proposes to issue a new note to refund this outstanding balance. The Commission has considered its request for permission to issue its note and is of the opinion that this is not a matter in which a public hearing is necessary, that the money, property or labor to be procured or paid for is reasonably required for the purpose specified herein and that the expenditure for said purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED that Sutter Butte Canal Co. be, and it hereby is, authorized to issue after the effective date hereof and prior to November 1, 1940, its unsecured note in the principal amount of \$206,000, bearing interest at the rate of four per cent (4%) per annum and maturing on March 3, 1941, for the purpose of paying or refunding the note for like amount now outstanding.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is two hundred six (\$206.00) dollars, and,

IT IS HEREBY FURTHER ORDERED that applicant shall file with the Commission, within thirty (30) days after the issue of the note herein authorized, a report as required by the 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 17<sup>th</sup> day of  
September, 1940.

Ray L. Allen  
Frank B. Bennett  
Raymond B. ...  
H. M. ...  
Justin F. Caenen  
Commissioners

\$ 216.00  
RAILROAD COMMISSION  
STATE OF CALIFORNIA  
PAID  
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[Signature]  
SECRETARY