

Decision No. 36811

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the Northern Light & Power Co. for an order (a) authorizing the issuance of a renewal note payable to the Pacific National Bank of San Francisco, California, in the amount of \$11,200, (b) permission to secure said note mentioned in (a) by chattel mortgage on generating equipment of the company.

Application
No. 25956

BY THE COMMISSION:

OPINION AND ORDER

Northern Light & Power Co. is engaged in the generation and distribution of electricity in the towns and communities known as Garberville, Redway, Benbow and adjacent territory in Humboldt County, California.

In 1942 the company found it necessary to borrow from Pacific National Bank of San Francisco \$14,150 to relocate its diesel generating plant and to make improvements to its properties. The loan was represented by a note payable on or before one year after date. On December 7, 1943 a balance of \$10,300 was due on said note. In addition applicant was then indebted to Fairbanks-Morse & Company in the sum of \$900, which represents a part of the cost of rebuilding its Fairbanks-Morse diesel engine.

Applicant now asks permission to issue to Pacific National Bank of San Francisco its promissory note in the amount of \$11,200 for the purpose of refunding said indebtedness and to secure the payment of said note by the execution of a chattel mortgage which

will be a lien on its hydro generating plant and its diesel engine and generators. A copy of the proposed note and chattel mortgage are on file in this application.

The Commission has considered applicant's request and is of the opinion that this is not a matter on which a hearing is necessary; that the money, property or labor to be procured or paid for through the issue of the note herein authorized is reasonably required by applicant for the purpose of refunding indebtedness and that this application should be granted subject to the provisions of this Order, therefore,

IT IS HEREBY ORDERED that Northern Light & Power Co. be, and it is hereby, authorized to issue, after the effective date hereof and on or before March 31, 1944, its promissory note in the amount of not exceeding \$11,200 for the purpose of refunding the indebtedness to which reference is herein made, said note to be payable on or before January 11, 1947 and to bear interest of not to exceed six per cent (6%) per annum. If Northern Light & Power Co. issues a note for a term of less than three years it may renew the same from time to time, provided no note issued or renewed under the authority herein granted may mature subsequent to January 11, 1947.

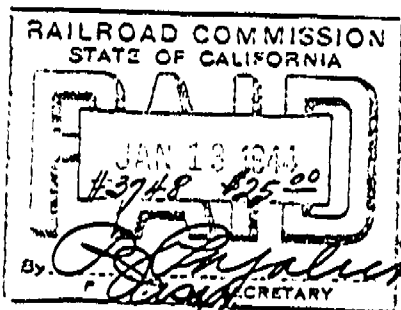
IT IS HEREBY FURTHER ORDERED that Northern Light & Power Co. be, and it is hereby, authorized to execute, after the effective date hereof and on or before March 31, 1944, for the purpose of securing the payment of said note, a chattel mortgage in substantially the same form as the chattel mortgage on file in this application, provided that the authority herein granted to execute a chattel mortgage is for the purpose of this proceeding only, and is granted only insofar as this Commission has jurisdiction under the terms of

the Public Utilities Act and is not intended as an approval of said chattel mortgage as to such other legal requirements to which said chattel mortgage may be subject.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when Northern Light & Power Co. has paid the minimum fee required by Section 57 of the Public Utilities Act, which minimum fee is Twenty-five (\$25.00) Dollars.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days after the issue of the note herein authorized Northern Light & Power Co. shall file with the Railroad Commission a true and correct copy of said note and a true and correct copy of the chattel mortgage executed under the authority herein granted, together with a statement showing the purpose or purposes for which it expended the proceeds of said note.

Dated at San Francisco, California, this 11th day of January, 1944.



[Signature]

[Signature]

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Commissioners