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Decision No. 12371.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the Matter of the Application of the)
RUSSIAN RIVER WATER COMPANY,) Application Number 7654.
a corporation, for permission to issue)
stock.)

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER.

The Railroad Commission, by Decision Number 10354, dated April 25, 1922, as amended, authorized Russian River Water Company to issue and sell at not less than par \$25,000. of its seven percent. cumulative preferred stock and \$28,075. of its common stock. The order of the Commission permits the company to use \$34,528.87 of the proceeds to pay indebtedness incurred for the purpose of acquiring and constructing additions and betterments, \$2,501.00 to reimburse its reserve for accrued depreciation and \$2,287.49 to reimburse its surplus on account of earnings used to pay for additions and betterments. The remaining proceeds must be deposited in a bank or banks as a special deposit and expended only as permitted by the Railroad Commission in a supplemental order or orders.

In a supplemental petition filed in the above entitled matter on June 24, 1923, the company reports that of the stock authorized by Decision Number 10354, it has issued and sold \$25,000.00 of the preferred and \$26,575.00 of the common, a total of \$51,575.00, leaving \$1,500.00 of the common unsold.

The company further reports that it has received or will receive \$51,575.00 from the sale of such stock, of which \$39,317.36 was used for the purposes specified in the Commission's order, and \$12,257.64 will be kept in a special deposit to be withdrawn upon receiving orders from the Commission. The company now asks the Commission to make an order authorizing it to use the \$12,257.64 on deposit and the \$1,500.00 to be received from the sale of the remaining \$1,500.00 of common stock to finance in part the cost of additions and betterments made during 1922 and 1923.

In the supplemental petition the company reports that during the year 1922 it expended \$12,212.50 for the purpose of acquiring and constructing additions and betterments, and that during the current year it has expended approximately \$8,000.00 for similar purposes. The expenditures during 1922 include \$6,604.06 for distribution mains and tanks, \$1,802.65 for hydrants, meters and services, \$970.19 in preparing maps and other data of the system, \$842.20 for landed capital, \$676.90 for general office and shop equipment and miscellaneous construction, \$377.81 for pumping station buildings and equipment, and the balance for engineering, superintendence and legal services and interest during construction. It appears that the \$8,000.00 expended this year has not yet been distributed and classified to capital accounts.

The Commission has given consideration to applicant's request, and believes it should be granted, as herein provided, therefore,

IT IS HEREBY ORDERED that the order in Decision Number 10354, dated April 25, 1922, as amended, be, and it is hereby, modified so as to permit Russian River Water Company to use \$13,757.64 received, or to be received from the sale of stock authorized by the order in that decision for the purpose

of financing in part such of the cost of the extensions, additions and betterments made during the years 1922 and 1923, referred to herein, as is properly chargeable to capital accounts, as defined by the Uniform Classification of Accounts for Water Corporations which has been prescribed by the Railroad Commission.

IT IS HEREBY FURTHER ORDERED that the order in Decision Number 10354, dated April 25, 1922 shall remain in full force and effect, except as modified by this First Supplemental Order.

DATED at San Francisco, California, this 18th day of July, 1923.

Chas. J. ...

Dwight Martin
Egerton Shore

Commissioners.