

such stock for cash at not less than par and use the proceeds to acquire the 47.3 acres of lands at \$7,500.00 an acre, to purchase and construct tracks, locomotives, and facilities, to provide working capital and for such other purposes as the Commission might authorize.

Applicant has now advised the Commission that it does not desire to avail itself of the authority granted by Decision Number 12584. It reports that it has modified its plans and does not intend, at this time at least, to acquire the 47.3 acres of land, but intends to lease such land in the Central Manufacturing District as it finds necessary on a basis of a value of \$7,500.00 an acre. Land needed for rights-of-way and terminals outside the district will be purchased by applicant.

Because of the modification of its plans, applicant has decided to file an amended application asking permission to issue only \$500,000.00 of stock. It intends to sell its stock at par for cash and to use the proceeds for the following purposes :-

To pay the cost of tracks constructed prior to December 1, 1923	\$42,490.18
To pay the cost of additional tracks to be constructed in the immediate future	50,277.78
To cover the cost of handling materials	1,855.95
To pay for materials on hand	10,966.70
To pay the estimated cost of properties as follows :-	
Tracks	\$73,500.00
Filling property	15,000.00
Round house	20,000.00
Machine shop	10,000.00
Locomotives	70,000.00
Machinery	65,400.00
Turn table	15,000.00
Fuel station	2,000.00
Water tank	1,500.00
Electrification of tracks from Pacific Electric	9,000.00
Interlocking plants	20,000.00
Total estimated cost	<u>301,400.00</u>
To pay for land	50,000.00
For working capital	43,009.39
Total	<u>\$500,000.00</u>

The company reports that in order to make connections with the Southern Pacific tracks it expects to expend about \$50,000.00 for approximately two acres of land in Vernon. The company did not,

however, at the hearing held on December 27, 1923, furnish the Commission with a description of the land to be acquired, nor did it advise the Commission definitely of the exact size and cost. The order herein will therefore provide for the expenditure at this time of only \$450,000.00 of the proceeds from the sale of the stock. Upon the filing by applicant of a description of the land to be acquired, together with a statement of its exact size and cost, the Commission will, by supplemental order, authorize the use of all or a part of the remaining \$50,000.00.

I herewith submit the following form of order :-

FIRST SUPPLEMENTAL ORDER

LOS ANGELES JUNCTION RAILWAY COMPANY, having requested the Railroad Commission to set aside Decision Number 12584, dated September 7, 1923, and to make an order authorizing it to issue and sell \$500,000.00 of stock, a public hearing having been held and the Railroad Commission being of the opinion that the application should be granted as herein provided :-

IT IS HEREBY ORDERED that Decision Number 12584, dated September 7, 1923, be, and it is hereby, vacated and set aside.

IT IS HEREBY FURTHER ORDERED that LOS ANGELES JUNCTION RAILWAY COMPANY be, and it is hereby, authorized to issue and sell for cash, at par, \$500,000.00 of its common capital stock.

The authority herein granted is subject to further conditions as follows :-

1. Applicant may use \$450,000.00 of the proceeds from the sale of the stock herein authorized to pay the cost of the tracks, materials, properties and equipment referred to in the foregoing opinion, and to provide applicant with working capital, except that no part of said \$450,000.00 shall be expended for the acquisition of the lands referred

