

DM

Decision No. 13879.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of)
PORT COSTA WATER COMPANY,)
a corporation, for an order author-)
izing the execution by it of a mort-)
gage or deed of trust securing an)
authorized issue of \$1,500,000.00)
principal amount of its first mort-)
gage gold bonds, and the issuance)
thereunder and sale of \$450,000.00)
principal amount of its said first)
mortgage gold bonds.)

ORIGINAL

Application Number 10126

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER

Port Costa Water Company has asked that the petition filed on June 25, 1924 for a re-hearing in the above entitled matter, be dismissed. It further asks that Paragraph "D" of subdivision one of the order in Decision Number 13690 dated June 12, 1924, be modified so as to permit the company to use the proceeds from \$4,000.00 of bonds to pay current indebtedness and use the proceeds from \$10,000.00 of bonds for working capital.

Paragraph "D" as it now reads, provides that the proceeds from \$37,000.00 of bonds may be used only for such purposes as the Commission will authorize by supplemental order or orders, it being understood that said proceeds will be used only to pay for additions and betterments made subsequent to June 1, 1924.

The company has filed a stipulation agreeing that it will not use any part of its surplus as of June 30, 1924 to declare or pay dividends. The accumulated surplus as of that date is reported at \$75,117.25. The stipulation is in satisfactory form. Dividends may be declared and paid only out of surplus accumulated after June 30, 1924. It is believed that the company's surplus should be divided and the \$75,117.25 transferred to Account No. 33 "Income invested since December 31, 1912 in fixed capital."

The Commission has considered applicant's request and hereby orders as follows:-

1. The petition for re-hearing filed on June 25, 1924 in the above entitled matter is hereby dismissed.
2. Paragraph "D" of subdivision one of the order in Decision Number 13690 dated June 12, 1924, is hereby modified so as to permit the company to use the proceeds from \$4,000. of bonds to pay current indebtedness and the proceeds from \$10,000. of bonds for working capital. The proceeds from the remainder of the \$37,000.00 of bonds referred to in said paragraph, namely, \$23,000. may be used only for such purposes as the Commission will hereafter authorize by supplemental order or orders, it being understood that said proceeds will be used only to pay for additions and betterments made subsequent to June 1, 1924.
3. Within thirty days after the date hereof Port Costa Water Company shall transfer \$75,117.25 from Account No. 36, "Corporate Surplus Unappropriated" to Account No. 33 "Income Invested since December 31, 1912 in Fixed Capital."
4. The authority herein granted will become effective upon the date hereof.

5. The order in Decision Number 13690 dated June 12, 1924 will remain in full force and effect, except as modified by this first supplemental order.

DATED at San Francisco, California, this 4th day of August, 1924

C. Scaevy
H. R. ...
Erving ...
Egerton ...

Commissioners.