

LM

Decision No. 14648.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
CLAREMONT DOMESTIC WATER COMPANY, )  
for the privilege of issuing addi- )  
tional bonds in the amount of \$17,000 )  
to reimburse its treasury for money )  
spent in sinking and equipping new )  
wells and to take up all present in- )  
debtedness. of the company. )

Application No. 10863

George S. Sumner, for applicant.

BY THE COMMISSION:

O P I N I O N

Claremont Domestic Water Company asks permission to issue and sell at par \$17,000. of its first mortgage six percent bonds due March 1, 1954 and use the proceeds to reimburse its treasury for moneys spent in sinking new wells and equipping same, and to pay notes issued to secure funds for construction purposes.

By Decision No. 13340 dated March 29, 1924 the Commission authorized the company to issue and sell at par \$38,000. of its first mortgage six percent bonds. It is of record in this proceeding that all of such bonds have been sold and the proceeds used for the purposes indicated in the Commission's order.

The company has outstanding, according to the testimony, \$100,000. of capital stock, \$38,000. of bonds and \$10,000. of notes.

✓ On account of the continued dry weather and a possible lack of water supply, applicant has concluded to expend additional moneys to improve its Well No. 1 and to sink and equip a new well. Too, the general construction expenses of the company have been greater than anticipated at the time the Commission considered the application for permission to issue \$38,000. of bonds. It is of record that the company has since bought pipe costing \$4,600., new pumping equipment costing \$2,200., made improvements on buildings costing \$340., made repairs to Well No. 1 costing \$2,553.65, expended on its new well (Well No. 5) \$3,700., and purchased new meters costing \$1,870.64. The cost of a new pump and additional expenses to complete and equip its new well are estimated at \$6,500. The actual or estimated expenditures not financed through the issue of bonds or stock, amount to \$21,764.29. To finance part of this expenditure, applicant asks permission to issue and sell at par \$17,000. of bonds. The company reports that it has arranged for the sale of \$11,000. of bonds. Its representatives believe that all can be sold at par.

#### O R D E R

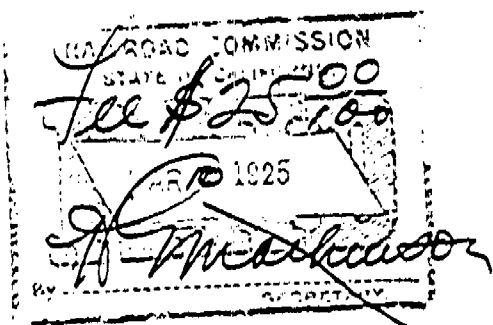
Claremont Domestic Water Company, having applied to the Railroad Commission for permission to issue \$17,000. of bonds, a public hearing having been held before Examiner Fankhauser, and the Commission being of the opinion that the money, property or labor to be procured or paid for by the issue of such bonds is reasonably required by applicant and that the expenditures herein authorized are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that Claremont Domestic Water Company be, and it is hereby, authorized to issue and sell at not less than par on or before September 1, 1925, \$17,000. face value of its first mortgage six percent bonds due March 1, 1954 and use the proceeds to reimburse its treasury for moneys spent in sinking new wells and equipping the same, and to pay notes issued to secure funds for construction purposes, to which reference is made in the foregoing opinion.

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

1. Claremont Domestic Water Company shall keep such record of the issue, sale and delivery of the bonds herein authorized and of the disposition of the proceeds as will enable it to file on or before the 25th day of each month a verified report, as required by the Railroad Commission's General Order No. 24, which order in so far as applicable is made a part of this order.
2. The authority herein granted will become effective when applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is \$25.

DATED at San Francisco, California, this 10<sup>th</sup> day of March, 1925.



H. R. Brundage  
C. Seavey  
Egerton Shore  
George D. Igou  
Edmund C. ...

Commissioners.