

LEM

Decision No. 15389.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
FAIR OAKS ELECTRIC COMPANY,)
a corporation, for an order author-) Application No. 7574
izing the issuance and sale of bonds)
of said corporation.)

BY THE COMMISSION:

SECOND SUPPLEMENTAL ORDER

WHEREAS, the Railroad Commission by Decision No. 10910 dated August 24, 1922, as amended by Decision No. 13089, dated January 28, 1924, authorized Fair Oaks Electric Company to issue \$10,000.00 of its first mortgage seven percent bonds due serially in equal annual amounts of \$500.00 on the first of July of each of the years 1927 to 1946; and

WHEREAS, the order of the Commission permits the company to sell \$9,500.00 of such bonds at not less than face value plus accrued interest for the purpose of paying indebtedness and of financing the cost of additions and betterments, but provides that the remaining \$500.00 bond may be sold or otherwise disposed of only as authorized by the Commission in supplemental orders; and

WHEREAS, Fair Oaks Electric Company has now advised the Commission that it intends to purchase a piece of land 20' x 20' in dimension and to erect thereon a substation to be used for the receipt and distribution of electric energy purchased from Great Western Power Company of California; and

WHEREAS applicant has advised the Commission that the cost of acquiring the land and constructing the substation is estimated at \$1,000.00 and has asked the Commission to permit it to sell the re-

maining \$500. bond authorized by Decision No. 10910, as amended, to finance in part such cost; and

WHEREAS, the Commission has given consideration to applicant's request and is of the opinion that the money, property or labor to be procured or paid for through the sale of the bonds is reasonably required for the purposes specified herein and that the expenditures for such purposes are not in whole or in part reasonably chargeable to operating expense or to income, therefore,

IT IS HEREBY ORDERED that Fair Oaks Electric Company be, and it is hereby, authorized to sell, at not less than face value plus accrued interest on or before December 31, 1925 the remaining \$500. of the bonds authorized to be issued by Decision No. 10910, dated August 24, 1922, as amended, and to use the proceeds to finance in part the cost of acquiring and constructing the properties to which reference is made herein.

IT IS HEREBY FURTHER ORDERED that the order in Decision No. 10910 dated August 24, 1922, as amended, shall remain in full force and effect, except as modified by this Second Supplemental Order.

DATED at San Francisco, California, this 12th day of September, 1925.

CL Seaver

Ernest J. Smith

Leon A. Smith

Commissioners.