

LRA

Decision No. 15672

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
FEATHER RIVER POWER COMPANY,)
a corporation, organized and exist-)
ing under and by virtue of the laws)
of the State of California, for an)
order permitting said Feather River)
Power Company to issue 951 shares)
of its common stock, having a par)
value of \$95,100.)

Application No. 11906

C. W. Faries, for applicant.

BY THE COMMISSION:

O P I N I O N

In this application, Feather River Power Company asks for an order of the Railroad Commission authorizing it to issue and sell at 90 percent of par value, 951 shares of its common capital stock, of the aggregate par value of \$95,100., in addition to the stock heretofore authorized to be issued by Decision No. 15394, dated September 15, 1925, as amended by Decision No. 15465 dated September 25, 1925, in Application No. 11414.

In Decision No. 15394, as amended by Decision No. 15465, the Commission declared that public convenience and necessity require and will require Feather River Power Company to construct, operate and maintain a hydro-electric power plant and appurtenances to be located on the North Fork of the Feather River, a short

distance below the mouth of Buck's Creek, and authorized the company to issue and sell, at not less than 90 percent of face value plus accrued interest, ^{\$5,500.00} ~~\$5,200,000~~ of its first mortgage six percent serial bonds, and ^{\$2,100,000} ~~\$2,350,000~~ of its stock, divided into such classes as it may determine, such stock to be sold at not less than ninety percent of the par value, and to use the proceeds from the sale of the bonds and stock to pay the cost of constructing the hydro-electric plant and appurtenances.

The company now reports that prior to October 9, 1925 there was expended certain sums for preliminary expenses for engineering, overhead and other items in addition to the expenditures heretofore reported and set forth in Application No. 11414. These sums, as reported in the petition and as described in detail in Exhibit "A" aggregated \$85,606.35. This total, however, was adjusted at the hearing by the elimination of certain items representing duplications, the final figure being given as \$84,383.60. It appears that R. C. Storrie and Company, a co-partnership which has the contract to construct applicant's proposed power plant, has advanced moneys to applicant to pay said amounts and now has agreed to accept applicant's common stock at ninety in reimbursement. This will call for the issue of \$93,800. of stock.

The record in Application No. 11414 was by consent of applicant made a part of this proceeding. Obviously the Commission in passing on any request of applicant to issue stock or bonds must consider such request in relation to the reasonable actual or estimated cost of the project described in Application No. 11414. The \$93,800. of stock authorized herein constitutes a part of the capitalization of that project.

O R D E R

Feather River Power Company, having applied to the Railroad Commission for an order authorizing it to issue \$95,100. of stock, a public hearing having been held before Examiner Fankhauser and the Railroad Commission being of the opinion that the issue of \$93,800. of stock is reasonably required by applicant and that the money, property or labor to be procured or paid for by such issue is reasonably required by applicant 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,

IT IS HEREBY ORDERED that Feather River Power Company be, and it is hereby, authorized to issue and sell, on or before February 28, 1926, at not less than ninety percent of par value, \$93,800. of its common capital stock for the purpose of financing the expenditures of \$84,383.60, to which reference is made in the foregoing opinion, provided that applicant keep such record of the issue, sale and delivery of the stock 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 insofar as applicable, is made a part of this order.

IT IS HEREBY FURTHER ORDERED that the application insofar as it involves the issue of \$1,300. of stock be, and it

is hereby, dismissed.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective upon the date hereof.

DATED at San Francisco, California, this 21st day of November, 1925.

W. B. Rourke
C. S. Searcy

Leon A. Hill

Commissioners.