

IRA

ORIGINAL

Decision No. 10877

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
SOUTH PARK WATER COMPANY )  
for authorization to issue bonds. )

Application No. 11827

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER

South Park Water Company by Decision No. 15648 dated November 20, 1925 was authorized to issue and sell at not less than 93-1/2 percent of face value plus accrued interest \$125,000. of its first mortgage serial seven percent bonds dated July 1, 1925 and to use \$79,550. of the proceeds to finance in part the cost of acquiring the Morgan Water Plant and to use the remaining proceeds to pay for extensions, additions and betterments to its plants and properties provided that \$35,000. of such proceeds might be expended only for such purposes as the Commission might authorize in a supplemental order or orders.

The company now reports that it is necessary for it to install certain additions and betterments to its water system, consisting of pipe lines and appurtenances, pumping and storage facilities and office equipment, the estimated cost of which is reported at \$32,863. as shown in some detail in Exhibit "A" attached to a supplemental petition filed in the above entitled matter on January 8, 1926. It asks the Commission to authorize

it to use the proceeds from the sale of bonds authorized by Decision No. 15648 to finance these contemplated improvements. Upon investigation we find that the \$32,863. includes \$311. representing the cost of removing pipes. The \$311. should, in our opinion, not be paid through the use of bond proceeds.

The Commission has given consideration to applicant's request and is of the opinion that an amount of not exceeding \$32,552. obtained from the sale of the bonds herein referred to, may properly be used to pay for the acquisition, construction and installation of the properties described in said Exhibit "A", therefore,

IT IS HEREBY ORDERED that the order in Decision No. 15648 dated November 20, 1925 be, and it is hereby, modified so as to permit South Park Water Company to use \$32,552. of the proceeds received through the issue and sale of the bonds authorized by said decision to finance in part the cost of the acquisition, construction and installation of the properties described in Exhibit "A" attached to the supplemental petition in this matter filed on January 8, 1926.

IT IS HEREBY FURTHER ORDERED that the order in Decision No. 15648 dated November 20, 1925 shall remain in full force and effect, except as modified by this First Supplemental Order.

DATED at San Francisco, California, this 19<sup>th</sup> day of January, 1926. }

W. B. Randall  
C. C. Leary  
George D. Squires  
Ernest W. Deeds

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Commissioners.