

Decision No. 16898

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SANTA PAULA WATER WORKS,)
a corporation, for authority to) Application No. 11471
issue securities.)

BY THE COMMISSION:

FIRST SUPPLEMENTAL OPINION AND ORDER

In a supplemental petition filed in the above entitled matter on May 28, 1926, Santa Paula Water Works asks for an order authorizing it to issue and sell at not less than par, and without the payment of any commission or brokerage, 1,000 shares of its common capital stock of the aggregate par value of \$100,000. for the purpose of paying outstanding indebtedness.

By Decision No. 13489, dated April 30, 1924, in Application No. 9956, the Railroad Commission authorized applicant to issue and sell on or before July 1, 1925, at not less than par \$100,000. of common stock for the purpose of paying in part outstanding notes then amounting to \$106,000., which had been issued, to pay for extensions, additions and betterments installed prior to December 31, 1923. Applicant reports that it has issued none of the stock.

On July 23, 1925, the company filed Application No. 11471 in which it asked permission to issue three year seven percent notes. It is reported, in the application, that since the date of Decision No. 13489 it had incurred additional expenditures in constructing extensions, additions and betterments to its properties and that its note indebtedness had increased from \$106,000. to \$123,200. By Decision No. 15283, dated August 13, 1925, applicant was granted permission to issue not exceeding \$123,200. of notes payable at not more than three years after date with interest at the rate of not exceeding seven percent per annum in payment or in renewal of the notes then outstanding.

It appears, from the supplemental petition now pending that \$83,200. of said notes have been issued under the authority granted by Decision No. 15283 and that applicant has found it necessary to issue additional notes, its total note indebtedness as of April 1, 1926, amounting to \$135,200. The company reports that it believes that it can sell its stock at this time and it therefore asks permission to issue and sell at not less than par, \$100,000. of stock to pay in part its outstanding notes.

The Commission has considered applicant's request and is of the opinion that a further hearing is not necessary and that the issue of the \$100,000. of stock is reasonably required by applicant, therefore,

IT IS HEREBY ORDERED that Santa Paula Water Works be, and it is hereby, authorized to issue and sell, on or before June 30, 1927, at not less than par, \$100,000. of its common capital stock and to use the proceeds to pay in part the outstanding notes

to which reference is made herein.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall become effective upon the date hereof and that applicant shall keep such record of the issue and sale 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.

DATED at San Francisco, California, this 11th
day of June, 1926.

H. B. Brundage
C. S. Seavey

Leon Whitely

Commissioners.