

ORIGINALDecision No. 17992

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 CLAREMONT DOMESTIC WATER COMPANY,)
 for an order authorizing issue of)
 additional bonds in the amount of)
 \$10,000.00 to reimburse the) Application No. 13481.
 treasury for capital expended and)
 to pay for new improvements.)

George S. Sumner, for applicant.

BY THE COMMISSION:

O P I N I O N

Claremont Domestic Water Company, a corporation engaged in the business of supplying water for domestic and irrigation purposes in and about the City of Claremont, Los Angeles County, and for street sprinkling and fire protection purposes in the City of Claremont, asks for permission to issue and sell at not less than face value plus accrued interest, \$10,000.00 of its first mortgage six percent bonds, due March 1, 1954, for the purpose of reimbursing its treasury and paying the cost of improvements.

The company reports that during the year 1926 it expended for capital improvements the sum of \$7,736.79, which includes \$1,411.34 used for meters and connections, \$1,348.85 for pumping equipment, \$3,751.17 for distribution mains and \$1,009.78 for general equipment. In addition it reports that because of lowered water stratas it has contracted to purchase a new 120 H.P. Commercial engine for \$4,750.00 and other equipment for \$1,120.39.

While applicant asks permission to use the proceeds it will receive from the sale of its bonds to reimburse its treasury and to pay for improvements, it appears that it intends to use \$8,870.00 of such proceeds to pay obligations incurred in making the expenditures referred to herein, such obligations consisting of \$5,000.00 due on a short term note, \$4,750.00 due on account of the purchase of the new engine and \$1,120.39 due on account of the purchase of additional pipe and other equipment. The order herein accordingly will direct the use of \$8,870.00 of bond proceeds to pay indebtedness, and of the balance, \$1,130.00, to reimburse the treasury.

ORDER

Claremont Domestic Water Company, having applied to the Railroad Commission for permission to issue and sell \$10,000.00 of bonds, a public hearing having been held before Examiner Fankhauser and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for through such issue and sale 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,

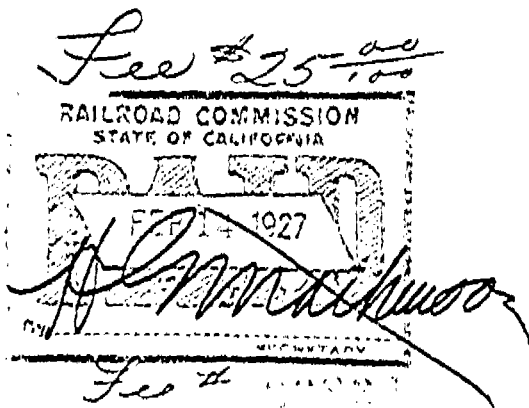
IT IS HEREBY ORDERED that Claremont Domestic Water Company be, and it hereby is, authorized to issue and sell, on or before June 30, 1927, at not less than face value plus accrued interest, \$10,000.00 of its first mortgage six percent bonds, due March 1, 1954,

The authority herein granted is subject to the follow-

ing conditions:-

- (1) Applicant shall use the proceeds, other than accrued interest, which it will receive from the sale of the bonds herein authorized, to pay the indebtedness of \$8,870.00 to which reference is made in the foregoing opinion and to reimburse its treasury because of surplus earnings of \$1,130.00 used in making additions, betterments and improvements. The accrued interest may be used for general corporate purposes.
- (2) Applicant shall keep such record of the issue and sale 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 insofar as applicable, is made a part of this order.
- (3) 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 \$25.00.

DATED at San Francisco, California, this 19th day of February, 1927.



Ernest
W. B. ...
Clarence
Leon Whitell
Thos. S. ...