

ORIGINALDecision No. 18167

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 OJAI POWER COMPANY,)
 a corporation, for permission to)
 issue additional securities.) Application No. 13537.

M. W. Phillips, for applicant.

BY THE COMMISSION:

ORDER

Ojai Power Company, a corporation, engaged in operating public utility electric and water properties in and about the City of Ojai, Ventura County, has applied to the Railroad Commission for permission to issue and sell at not less than par 246 shares of its common capital stock of the aggregate par value of \$24,600.00. The company reports its estimated construction expenditures from January 1, 1927 to December 31, 1927 at \$24,550.00. The estimated expenditures consist of the following items:-

ELECTRIC DEPARTMENT:

Matilija Springs Extension	.	.	.\$4,000.00	
Glencoe Ranch Extension	.	.	1,350.00	
Wheeler Springs Extension.	.	.	2,900.00	
Pirie Ranch Line	.	.	1,500.00	
50 new lighting consumers.	.	.	2,500.00	
30 new heating consumers	.	.	7,500.00	
4 new power consumers	.	.	2,000.00	
New franchises	.	.	575.00	\$22,325.00

WATER DEPARTMENT:

50 new water consumers	.	.	.\$1,500.00	
Lowering of pump and motor	.	.	500.00	
New franchises	.	.	225.00	\$2,225.00
Total	.	.		<u>\$24,550.00</u>

It is of record that the company's present franchises refer to specific roads and highways and do not cover newly constructed roads and highways. The company is now applying for three new franchises. The estimated cost of the franchises is reported at \$800.00, such cost covering the bid for the franchises and attorney's fees. We believe before the company can exercise any rights and privileges which it may obtain under the new franchises, it must file with this Commission an application for permission to exercise such rights and privileges and be granted permission to do so. In as much as the company has not yet obtained its new franchises; has not filed with this Commission an application for permission to exercise the rights and privileges under such franchise and has not furnished us with a detailed statement of the actual expenditures incurred in connection with the acquisition of the franchises, we believe we should not authorize it to issue any stock to acquire new franchises. The amount of stock which the company will be permitted to issue should therefore be reduced to \$23,800.00.

A public hearing in this matter was held before Examiner Fankhauser. The Commission has given consideration to the company's request and is of the opinion that the money, property or labor to be procured or paid for through the issue of the \$23,800.00 of stock was reasonably required by applicant and that the expenditures herein authorized are not in whole or in part reasonably chargeable to operating expense or to income, therefore,

IT IS HEREBY ORDERED that the Ojai Power Company be, and it is hereby, authorized to issue and sell on or before December 1, 1927, at not less than par \$23,800.00 par value of its common capital stock and use the proceeds to pay the cost of the

extensions, additions and betterments, other than the new franchises, referred to in this order.

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, 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 this application insofar as it involves the issue of \$800.00 of stock, be dismissed without prejudice.

DATED at San Francisco, California, this 4th
~~March~~ ^{April} day of ~~March~~, 1927.

Edmund Scott
H. B. Burdige
C. Stearns
Thos. J. Rourke

Commissioners.