

Decision No. 18424**ORIGINAL**

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)  
 CONSOLIDATED UTILITIES COMPANY, )  
 a corporation, for authority to )  
 issue stock. )

Application No. 11515.

BY THE COMMISSION:

SECOND SUPPLEMENTAL ORDER

Consolidated Utilities Company, a corporation engaged in giving telephone service in and about the City of Compton, reports that it has on hand the sum of \$23,630.66 of the proceeds received from the sale of the \$25,000.00 of common stock and the \$61,800.00 of preferred stock authorized by Decision No. 15329, dated August 25, 1925.

Under the order of the Commission, as amended, it appears that \$20,439.29 of this unexpended balance may be used only for such purposes as the Commission might authorize in supplemental decisions. Accordingly the company now requests supplemental permission to withdraw this balance and to use \$14,139.29 to reimburse its treasury on account of moneys expended for labor and materials, as set forth in detail in schedules filed with the Commission on May 23, 1927, and \$6,300.00 to finance in part the cost of machine switching equipment for its Hynes Exchange. It is reported that the initial cost of the equipment for the Hynes Exchange is estimated at \$9,600.00, while the instruments, building, cost of installation and other charges will increase the total to about \$15,000.00. The amount in excess of the \$6,300.00 of stock proceeds will be provided temporarily, it is said, through the issue of a short term note.

We have given consideration to applicant's request and are of the opinion that the expenditures for the purposes herein authorized are reasonably required by applicant and are not, in whole or in part, reasonably chargeable to operating expense or to income, therefore,

IT IS HEREBY ORDERED that Consolidated Utilities Company be, and it hereby is, authorized to use \$20,439.29 of the proceeds obtained from the sale of the stock authorized by Decision No. 15329, dated August 25, 1925, to reimburse its treasury on account of the expenditures of \$14,139.29 for labor and materials described in the schedules filed in this proceeding on May 23, 1927, and to finance in part the cost of acquiring and installing machine switching equipment in its Hynes Exchange.

IT IS HEREBY FURTHER ORDERED that the order in Decision No. 15329, dated August 25, 1925, as amended, shall remain in full force and effect, except as modified by this Second Supplemental Order.

DATED at San Francisco, California, this 12th  
day of June 1927.

H. B. Bridges

C. S. Murray

Thos. S. Rottel

Commissioners.