

Decision No. 19538

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
FEATHER RIVER POWER COMPANY,)
a corporation, organized and exist-)
ing under the laws of the State of)
California, for an order permitting)
said corporation to issue and sell)
its Class "B" preferred stock and)
common stock to the aggregate par)
value of \$1,245,000.00.)

ORIGINAL

Application No. 14287.

In the Matter of the Application of)
FEATHER RIVER POWER COMPANY,)
a corporation, organized and exist-)
ing under the laws of the State of)
California, for an order permitting)
said corporation to issue and sell)
its common stock to the aggregate)
par value of \$13,200.00.)

Application No. 14303.

Robert M. Searls, for applicant.

BY THE COMMISSION:

FIRST SUPPLEMENTAL OPINION

In a supplemental petition filed on February 7, 1928, the Commission is asked to make an order authorizing Feather River Power Company to issue and sell, at not less than 90, \$298,500.00 of its Class "B" preferred stock in addition to the stock heretofore authorized to be issued.

Feather River Power Company has an authorized capital stock of \$4,000,000.00 divided into \$1,000,000.00 of Class "A" seven percent preferred stock, \$2,000,000.00 of Class "B" seven percent

preferred stock and \$1,000,000.00 of common stock. It appears that under former orders of the Commission there has been issued, or authorized to be issued, all of the Class "A" preferred stock, all of the common stock and \$1,153,900.00 of the Class "B" preferred stock, of which amounts \$107,300.00 of the common stock was authorized to be issued to pay preliminary organization expenses and the remaining common stock and the preferred stocks to finance in part the cost of the company's Buck's Creek power project and plant. In addition the company has sold \$5,500,000.00 of bonds to finance in part the cost of the power project and plant.

The stock and bonds used to provide construction costs were sold, or authorized to be sold, at 90. At this price \$7,691,940.00 would be received through the issue and sale of the entire amounts heretofore authorized for construction purposes. The company submits that under its contract for the construction of its project a cash payment to the contractor of \$7,691,889.00 is required, and in addition the sum of \$268,583.00 on account of interest during construction. To obtain this additional amount would call for the issue and sale, at 90, of approximately \$298,500.00 of stock, as applied for herein.

Heretofore, in Decision No. 19296, dated January 26, 1928, in these proceedings, the Commission dismissed without prejudice a request of applicant to issue \$298,500.00 of stock. However, in view of the additional showing made in the company's supplemental petition and at the hearing held thereon, we will now authorize the issue of the stock. Such authority, as well as that heretofore given, is not to be understood as an approval of all the costs as reported in the exhibits filed in this matter.

FIRST SUPPLEMENTAL ORDER

A supplemental petition having been filed with the Railroad Commission for an order authorizing the issue and sale of \$298,500.00 of stock, 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 purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expense or to income,

IT IS HEREBY ORDERED that Feather River Power Company be, and it hereby is, authorized to issue and sell, at not less than ninety percent of par value, \$298,500.00 of its Class "B" preferred stock to pay in part costs incurred in the construction of its Buck's Creek power project and plant, provided that applicant 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.

IT IS HEREBY FURTHER ORDERED that Paragraph 1 of the order in Decision No. 19296, dated January 26, 1928, reading as follows:-

- "1. Feather River Power Company may issue and sell at not less than par \$13,200.00 of common stock for the purposes set forth in Application No. 14303"

be, and it hereby is, modified so as to read:-

"1. Feather River Power Company may issue and sell at not less than 90 percent of its par value, \$13,200.00 of common stock for the purposes set forth in Application No. 14303."

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective upon the date hereof.

DATED at San Francisco, California, this 30th day of March, 1928.

A. Seaman

Thos. S. Lott

M. J. Linn

Commissioners.