

Decision No. 25580

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SANTA CLARA VALLEY PUBLIC SERVICE
COMPANY, a corporation, for (1) order
authorizing issue of stocks and bonds;
(2) order authorizing mortgage of cer-
tain public utility property; (3) cer-
tificate of public convenience and
necessity; (4) order authorizing in-
crease in rates; and (5) jointly with
Fred C. Ehman, R. C. Leib, Frank A.
Leib, Lida Leib Armstrong, Elma Leib
Wright, Joseph Bacciocco and R. E.
Brotherton respectively, for order
authorizing sale and purchase of cer-
tain properties.

ORIGINAL

Application No. 17005

BY THE COMMISSION:

FOURTH SUPPLEMENTAL ORDER

The Commission by Decision No. 24832, dated June 6, 1932, as amended, authorized Santa Clara Valley Public Service Company, now known as Suburban Water Company, to issue 4,000 shares of no par common stock and \$150,000.00 par value of six percent 20-year bonds to acquire the properties described in the supplemental application filed on March 7, 1932, and to acquire and construct the properties described in Exhibit 16. By Decision No. 25342 dated November 7, 1932, the Commission authorized applicant to execute a trust indenture to secure the payment of the bonds.

Since the date of the Commission's decision, applicant has modified its construction program as outlined in Exhibit 16. It feels that there is at this time no necessity for installing the Truman plant at a cost of \$22,690.00. On the other hand it has materially increased its pipe lines. Applicant's original program called for the installation of 7,250 feet of 8-inch cast iron pipe, 1,960 feet of 6-inch cast iron pipe, and 28,180 feet of 4-inch cast

iron pipe at a total cost of \$38,230.00. Its "Revised Program" calls for the installation of 1600 feet of 8-inch cast iron pipe, 20,000 feet of 6-inch cast iron pipe and 50,150 feet of 4-inch cast iron pipe at a total estimated cost of \$68,410.00.

Applicant's revised program originally contemplated that the Easter Gables well and pumping plant would be installed and paid for by Fred C. Ehman. Upon being advised that the Commission objected to this program, applicant abandoned the same and Fred C. Ehman has agreed to transfer to applicant the Easter Gables well and pumping plant and certain other properties, at a cost of \$19,250.00. To pay for these properties, applicant asks permission to issue \$22,000. of additional bonds.

In its supplemental application filed on January 9, 1933 applicant requests the Commission to modify its Decision No. 24832 so as to permit it to issue and sell at 85 percent of their face value and accrued interest, \$172,000.00 of six percent 20-year bonds and 4,000 shares of its no par common stock and use the proceeds to acquire the existing properties described in Decision No. 24832 and to install and construct additions and betterments described in applicant's "Revised Program" filed as Exhibit "A" and attached to its supplemental petition filed January 9th. In lieu of selling the bonds for cash, applicant asks permission to deliver \$35,000.00, together with the 4,000 shares of common stock in exchange for existing properties, and deliver the remainder of the bonds, or such portion thereof as it may elect, at not less than 85 percent of their face value and accrued interest, in payment for the properties described in said Exhibit "A".

Because of increasing the amount of bonds from \$150,000.00 to \$172,000.00 applicant deems it advisable to modify certain pages of its trust indenture. It has submitted copies of the revised pages. We have examined the same and find them in satisfactory form.

The Commission has considered applicant's requests and believes that the same should be granted subject to the provisions of this fourth supplemental order, therefore,

IT IS HEREBY ORDERED, that paragraph six(6) of the order in Decision No. 24832 dated June 6, 1932, be, and the same is hereby, modified to authorize Suburban Water Company, on or prior to March 31, 1933, to issue and sell at not less than 85 percent of their face value and accrued interest, \$172,000.00 of six percent 20-year bonds and 4,000 shares of its no par common capital stock and use the proceeds to acquire the existing properties described in said decision No. 24832, and to install and construct the additions and betterments described in applicant's "Revised Program" in Exhibit "A" attached to the supplemental petition filed herein on January 9th; or (a) to issue and deliver \$35,000.00 of said bonds at not less than 85 percent of their face value and accrued interest and 4,000 shares of applicant's no par common stock in exchange for said existing properties; and (b) from time to time issue and deliver not more than \$137,000.00 principal amount of said bonds at not less than 85 percent of their face value and accrued interest in payment for additions and betterments described in applicant's "Revised Program" in said Exhibit "A", provided that all of the properties described in said decision No. 24832 and in said "Revised Program" in said Exhibit "A" be transferred to applicant and provided further, that said properties be transferred free and clear of all liens and encumbrances.

IT IS HEREBY FURTHER ORDERED, that the Commission's decision No. 25342 dated November 7, 1932, be, and the same is hereby, amended so as to permit Suburban Water Company to amend its trust indenture referred to in said decision No. 25342 in the manner indicated in Exhibit "B" attached to the supplemental petition filed herein on January 9, 1933.

IT IS HEREBY FURTHER ORDERED, that the authority herein granted to issue additional bonds in the amount of \$22,000.00 will become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-two(\$22.00) Dollars.

IT IS HEREBY FURTHER ORDERED, that the order in said decision No. 24832 dated June 6, 1932, as amended, and said decision No. 25342 dated November 7, 1932, shall remain in full force and effect except as modified by this Fourth Supplemental Order.

DATED at San Francisco, California, this 16th day of January, 1933.

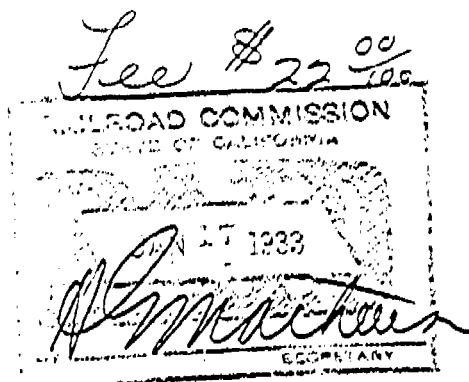
C. C. Seaver

W. A. Carr

W. B. Harris

W. H. [Signature]

Commissioners.



Fee # 30954