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Decision No. 10605

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of)
GREAT WESTERN POWER COMPANY OF CALI-)
FORNIA, a corporation, to issue and)
sell \$2,000,000. par value of preferred)
stock.)

Application Number 7925.

Guy C. Earl and Chaffee E. Hall, by
Chaffee E. Hall, for Applicant.

BENEDICT, COMMISSIONER:

O P I N I O N

GREAT WESTERN POWER COMPANY OF CALIFORNIA asks permission to issue and sell at not less than \$90.00 per share, 20,000 shares (\$2,000,000.00 par value) of its seven percent. cumulative preferred stock and to use the proceeds to finance construction expenditures made, or to be made, during 1922.

Applicant reports that it proposes to expend, or has already expended, during the year 1922, for the acquisition of property, for the construction, completion, extension or improvement of facilities, and for the improvement and maintenance of its service, the sum of \$2,383,285.00, as shown in some detail in Exhibit "A".

This expenditure is distributed by applicant to its various districts as follows:-

San Francisco	\$489,050.00
Oakland	1,361,485.00
Sacramento	179,000.00
Big Bend	35,000.00
San Mateo	11,500.00
Rio Vista	82,000.00
Northwestern	40,250.00
Big Meadows	185,000.00
TOTAL.....	<u>\$2,383,285.00</u>

It appears that \$575,167.85 of this amount was expended prior to May 1, 1922 and has been financed or will be financed by proceeds obtained from sources other than preferred stock. Deducting \$575,167.85 from the total reported expenditures for 1922, leaves a balance of \$1,808,117.15.

The expenditures allocated to the San Francisco district include \$245,800.00 for a submarine cable, those allocated to the Oakland district \$880,652.00 for the Golden Gate substation.

As of April 30, 1922, the company reports outstanding \$4,303,084.21 of its 7 percent preferred stock. The record shows that applicant at present is realizing more than \$90.00 per share net from the sale of its stock. The order herein will permit applicant to sell the stock at not less than \$91.50 per share net and use the proceeds to pay for extensions, additions and betterments described in Exhibit "A" filed in this proceeding.

I herewith submit the following form of order:-

O R D E R

GREAT WESTERN POWER COMPANY OF CALIFORNIA, having applied to the Railroad Commission for permission to issue and sell \$2,000,000. of preferred stock, a public hearing having been held and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for is reasonably required for the purpose or purposes specified herein, and that the expenditures for such purpose or purposes are not in whole or in part reasonably chargeable to operating expenses or to income:

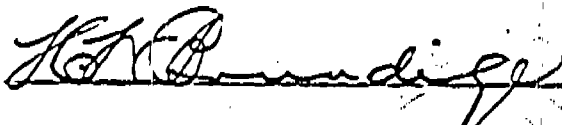
IT IS HEREBY ORDERED, that Great Western Power Company of California be, and it is hereby, authorized to issue and sell for cash at not less than \$91.50 net per share, 20,000 shares (\$2,000,000. par value) of its seven percent. cumulative preferred stock and to use the proceeds to finance in part the cost of the extensions, additions and betterments not financed through the sale of bonds, reported in Exhibit "A" filed in this proceeding.

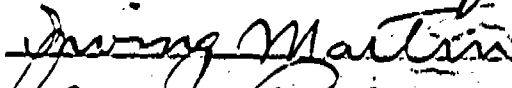
The authority herein granted is subject to the following conditions:-


- 1....Only such portion of the cost of the extensions, additions and betterments reported in Exhibit "A" as is properly chargeable to capital account under the Classification of Accounts prescribed or adopted by the Railroad Commission may be financed through the issue and sale of the stock herein authorized.
- 2....Applicant shall 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, in so far as applicable, is made a part of this order.
- 3... The authority herein granted will apply only to such stock as may be issued and sold on or before December 31, 1922.

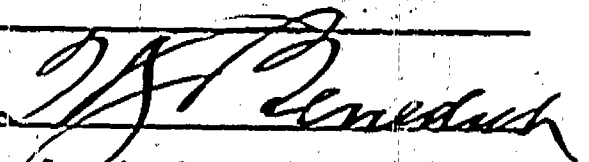
The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

DATED at San Francisco, California, this 22d day of June, 1922.









Commissioners.