

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the Matter of the Application of)
OJAI POWER COMPANY for Authority to)
Issue Capital Stock of the Par Value)
of \$19,200.00.)

App. No. 1155.

Decision No. 1588

Merle J. Rogers, for Applicant.

GORDON, Commissioner:

OPINION.

Ojai Power Company is engaged in supplying electricity for light and power, and also operates a water distributing system in and about Nordhoff, in the Ojai Valley, Ventura County, California. The Ojai Power Company was incorporated in July, 1912 with an authorized capital stock of \$50,000 divided into 500 shares of the par value of \$100 each. In the order made by this Commission on December 3, 1912, in Application No. 276, Ojai Power Company was authorized to issue its capital stock of the par value of \$25,000 for the purpose of acquiring and constructing an electric light distributing system. All of the stock so authorized was issued at par and the proceeds devoted to the purpose named.

In the order of this Commission made on August 13, 1913, Ojai Power Company was authorized to issue its capital stock of the par value of \$10,000, part of the proceeds of which were to be used in acquiring a water distributing system and the remainder to be used in extensions and betterments in the electric light and water systems as occasion therefor arose. Only \$5,800 of this stock was issued at par, the remaining \$4,200 par value now remains in the treasury, and the authority to issue this stock,

according to the terms of the order heretofore made, expires on July 1, 1914.

Ojai Power Company now desires to increase its electric plant to meet the growing demand for electric power and to pump water for irrigation in the Ojai Valley. Applicant has designed an additional unit to its electric system which, if acquired and installed will cost approximately \$13,000. The actual equipment necessary for this additional unit is set out in detail in that certain contract between applicant and The Snow Steam Pump Works attached to this application and marked "Exhibit A". The equipment itself, according to the terms of this contract will cost \$10,920 and applicant's estimate that the construction of the foundations and the buildings necessary to install this equipment and the wiring of the switch boards will cost an additional \$2,080. Applicant has, accordingly, filed this application asking authority to issue \$13,000 par value of stock for these purposes, and also requesting authority to issue an additional \$6,200 par value of stock for the installation of meters, service connections, extensions and betterments to its electric light and power system as occasion therefor may arise.

Ojai Power Company has issued no bonds and has no notes outstanding. All of the stock issued has been issued so as to net the Company the par value thereof. The financial condition of this Company is such that I have no hesitancy in recommending that the application be granted.

ORDER.

OJAI POWER COMPANY having applied to this Commission for permission to issue its capital stock for the par value of \$19,200, and a hearing having been held thereon, and the Commission finding that the purposes for which this stock is to

be issued are not in whole nor in part reasonably chargeable to operating expenses or to income.--

IT IS HEREBY ORDERED: That OJAI POWER COMPANY be, and it hereby is authorized to issue its capital stock of the par value of \$19,200 upon the following conditions, and not otherwise, to-wit:

1. The stock herein authorized to be issued shall be issued so as to net applicant the par value thereof;

2. The proceeds derived from the sale of this stock shall be used only for the following purposes:

- (a) \$10,920 for the electric equipment to be furnished applicant by The Snow Steam Pump Works and described in detail in the contract between applicant and The Snow Steam Pump Works, attached to the Application in this proceeding and marked "Exhibit A";
- (b) \$ 2,080 for the construction of the foundations and buildings and the labor necessary to the installation of the above-mentioned equipment, together with the wiring of the switch boards and other work necessary to put this equipment into operation as an additional unit to applicant's electric system;
- (c) \$ 6,200 for meters, service connections, extensions and betterments to applicant's electric light and power system.

Total - - \$19,200

3. Applicant shall keep true, separate and accurate accounts showing the receipt and application in detail of the proceeds of the sale of the stock hereby authorized to be issued; and on or before the twenty-fifth day of each month the Company shall make verified reports to the Commission stating the sale or sales of said stock during the preceding month, the terms and conditions of the sale, ~~the~~ *with out*

the moneys realized therefrom, and the use and application of such moneys, all in accordance with this Commission's General Order No. 24, which order, in so far as applicable, is made a part of this order.

4. The authority herein granted to applicant to issue stock shall apply only to stock issued on or before the 1st. day of July, 1915.

The foregoing opinion and order are hereby approved and order filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 17th day of June, 1914.

John M. E. Sullivan
A. J. Ireland
Edw. Gordon
Max Thelen

Commissioners.