

Decision No. ✓

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

-----oOo-----

In the matter of the application of
 CONSOLIDATED WATER COMPANY OF POMONA
 for permission to issue \$59,894.85
 of notes.

(
) Application No. 1529.
 (

Decision No. 2164

G. A. Lathrop for applicant.

DEVLIN, Commissioner.

O P I N I O N.

In this application Consolidated Water Company of Pomona asks for authority to renew certain promissory notes of a total principal sum of \$59,894.85. After an examination of these notes, I find that notes in the sum of \$43,100.00 are now due or past due, but that notes for the balance have not yet matured.

This company has applied to this Commission for permission to sell its system to the City of Pomona and has requested that this Commission hold a hearing and determine the value of its property. The applicant has an outstanding issue of \$175,000 of bonds and has a listed floating indebtedness of approximately \$60,000.00. At the hearing, it was stipulated that any authorization which might be given in this matter to the applicant to issue notes should not be binding, or evidence to be considered in any proceeding hereafter to be held to fix the values for the properties of this applicant.

For the calendar year of 1913, this applicant reported as follows:

Gross Operating Revenue.....	\$63,402.38
Operating Expenses.....	<u>40,612.97</u>
Net Revenue.....	\$22,789.41
Interest Deductions.....	<u>16,017.98</u>
Surplus for Year.....	\$ 6,771.43

I recommend that the application be granted as to the issue of notes in the sum of \$43,100.00 and that it be denied as to the remaining notes without prejudice to the right of the applicant to apply for the refunding of such other notes as it may have outstanding when these notes mature or are about to mature. Accordingly, I recommend the following form of order:

O R D E R.

Consolidated Water Company of Pomona having applied to this Commission for authority to issue notes in the sum of \$59,894.85 to refund a like amount of notes now outstanding, and a hearing having been held and it appearing that the proceeds derived from the notes in the sum of \$43,100.00 were not reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that Consolidated Water Company of Pomona be granted authority and is hereby granted authority to issue promissory notes to the face value of \$43,100.00

IT IS FURTHER ORDERED that the application of Consolidated Water Company of Pomona to issue notes to the face value of \$16,794.85 be and it is hereby denied without prejudice.

The authority herein given to applicant to issue \$43,100.00 of promissory notes is given upon the following conditions and not otherwise:

(1). The notes herein authorized to be issued shall be issued for the following purposes:

(a). To refund the following notes:

<u>In Favor of</u>	<u>Date of Issue</u>	<u>Date Due</u>	<u>Rate</u>	<u>Amount</u>
Geo. Tavener	Sept. 20, 1910	Sept. 20, 1913	6%	\$ 500.00
T. Smart	June 1, 1911	June 1, 1912	7%	1000.00
L.C. Meredith	June 30, 1911	June 30, 1912	7%	2500.00
L.C. Meredith	Nov. 18, 1912	Nov. 18, 1914	7%	1000.00
Wash Hunt	July 13, 1911	July 13, 1912	7%	5000.00
Wash Hunt	Apr. 9, 1912	Demand	7%	2000.00
W.E. Bartlett	Oct. 1, 1911	Oct. 1, 1912	7%	4000.00
Mabel E. Dills	Oct. 2, 1911	Oct. 2, 1913	7%	6200.00
Thos. B. Evans	Jan. 5, 1912	Jan. 5, 1914	7%	2500.00
H.B. Davis	July 1, 1912	One day	7%	5000.00
H.B. Davis	Nov. 6, 1912	May 6, 1913	7%	4000.00
Mary I. Yost	July 20, 1912	July 20, 1914	7%	400.00
Clara J. Pierce	Jan. 23, 1913	Jan. 23, 1915	7%	1000.00
F.E. Graham	Feb. 24, 1913	One day	7%	1000.00
1st National, L.A.	Apr. 16, 1913			3000.00
B.C. Lattin	Nov. 1, 1913	Demand		4000.00

TOTAL.....\$43,100.00

- (b). To renew notes issued to refund the notes listed in subdivision "a" above on condition that such renewals shall mature not later than June 30, 1916.
- (2). The notes herein authorized to be issued shall mature not later than June 30, 1916, and shall bear a rate of interest not to exceed seven per cent. per annum.
- (3). The notes herein authorized to be issued shall be issued so as to net the applicant the face value thereof.
- (4). The applicant shall report to this Commission on the 25th day of each month stating the notes issued under the order herein and the notes refunded or retired through such issue.
- (5). The authority herein given to issue the notes herein authorized shall not be urged before this Commission, or before any other board or tribunal of this State with power to fix rates or to determine the value of public utility properties, as indicating a finding of value by this Commission of the properties of this applicant.
- (6). The authority herein given is conditioned upon the payment by applicant of the fee prescribed in the Public Utilities Act.
- (7). The authority herein given shall apply to such notes as shall have been issued on or before June 30, 1916.

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 24th day of February, 1915.

Railroad Commission State of California

Fee \$38.00

MAR 1 1915
J. H. Hutchinson
Assistant Secretary

Max Shelen
H. B. ...
...
Edwin A. Edgerton
Oran ...
COMMISSIONERS