

BEFORE THE RAILROAD COMMISSION
OF THE STATE OF CALIFORNIA.

.....
In the matter of the application :
of the HALF MOON BAY LIGHT & POWER :
COMPANY, a corporation, for permis- : Application No. 166
sion to increase capitalization. :
.....

John O. McElroy and
J. J. Gomes for Applicant.

LOVELAND, Commissioner:

O P I N I O N .

Applicant is a corporation organized and operating under the laws of California, for the purpose of furnishing electric energy for heat, light and power purposes to residents of the Town of San Mateo, California. Its present capital is Twenty-five Thousand (\$25,000) Dollars, divided into 250 shares of the par value of One Hundred (\$100) Dollars each. Of the 250 shares 166 shares, or Sixteen Thousand Six Hundred (\$16,600) Dollars worth of stock, have been sold for cash to J. J. Gomes and members of his family, and 50 shares, or Five Thousand (\$5,000) Dollars worth of stock, have been given to J. J. Gomes as compensation for promotion expenses. This leaves Three Thousand Four Hundred (\$3,400) Dollars of the present capitalization unissued.

In addition to the Sixteen Thousand Six Hundred (\$16,600) Dollars paid for stock, applicant has expended Fourteen Thousand and Seventy-four (\$14,074) Dollars in the construction of its main line and extensions, statement of which indebtedness is attached herewith.

Applicant now asks to increase its capital stock to One Hundred Thousand (\$100,000) Dollars, to be divided into 4,000 shares, at Twenty-five (\$25.) Dollars each, and requests permission to distribute to the holders of stock under the present capitalization new stock at Twenty (\$20.) Dollars per share, or 80% of par to the value of their holdings under the present capitalization; and to be authorized to issue 100 shares to John O. McElroy, in payment of his fee as attorney for the company, and to sell the remainder of the stock at Twenty (\$20) per share, or 80% of par.

There will, therefore, be left to be sold at Twenty (\$20.) Dollars per share 2820 shares, upon the sale of which will be realized Fifty-six Thousand Four Hundred (\$56,400) Dollars. From this amount will be paid the indebtedness of the company, amounting to Fourteen Thousand and Seventy-four (\$14,074) Dollars, leaving Forty-two Thousand Three Hundred and Twenty-six (\$42,326) Dollars to be devoted to the purpose of further construction and equipment.

A statement of the extensions and an estimate of the cost thereof, number of consumers that will be served, amount of current used and income therefrom is submitted and filed with the papers in the case. It will be noticed that in estimating the number of consumers, no estimate is given of the motor power consumption, and applicant states as a reason for this that it contemplates asking this Commission to approve of a bond issue to properly develop the motor power and consumption.

I recommend that the application be granted and that the following Order be issued:

O R D E R .

Application having been made to the Railroad Commission of the State of California by the Half Moon Bay Light & Power Company, a corporation organized for the purpose of selling

electric energy to the residents and users of such energy in San Mateo County, California, to increase its capitalization from Twenty-five Thousand (\$25,000) Dollars, consisting of 250 shares at One Hundred Dollars (\$100) Dollars each, to One Hundred Thousand (\$100,000) Dollars, consisting of 4,000 shares at Twenty-five (\$25.) Dollars each, the holders of stock under the present capitalization to exchange their stock for stock under the new capitalization at Twenty (\$20.) Dollars per share on a par value of Twenty-five (\$25.) Dollars, or 80% of par, and the remainder of the new issue to be sold at not less than 80% of par; and a hearing having been duly held and it appearing to the Commission that the money to be secured by the issue of said stock is necessary and reasonably required by said company for the discharge of its obligations and for needed extensions, and that the purposes for which the proceeds of the sale of said stock are to be used are not in whole or in part reasonably chargeable to operating expenses or income.

IT IS HEREBY ORDERED That the Railroad Commission of the State of California does hereby authorize said applicant, the Half Moon Bay Light & Power Company, to increase its capital stock from Twenty-five Thousand (\$25,000) Dollars to One Hundred Thousand (\$100,000) Dollars, said One Hundred Thousand (\$100,000) Dollars capital stock to be divided into 4,000 shares of Twenty-five (\$25.) Dollars each.

Holders of stock under the present capitalization are to receive stock under the new capitalization in exchange for their present holdings at Twenty (\$20.) Dollars per share on a par value of Twenty-five (\$25.) Dollars, or 80% of par, and the remainder of the stock is to be sold at not less than 80% of par, the proceeds from such sale to be devoted to the following purposes:

1. Payment and discharge of obligations of the company incurred by the construction and equipment as per the following statement, aggregating Fourteen Thousand and Seventy-four (\$14,074) Dollars:

Cunningham, Curtis & Welsh (Stationery)	- \$	8.00
Thos. Day Company (Fixtures)	-	54.40
General Electric Company	-	5816.30
Halfmoon Garage,	-	101.50
K. & Pohl (Switches)	-	151.50
Mechanical Installation Company (Motor)	-	105.00
Meese Gotfields Company (Pulleys)	-	22.09
A. Kincaid (Legal Services)	-	155.00
North American Mercantile Company	-	222.05
Pacific Electric Manufacturing Company	-	141.91
Pacific Pipe Company	-	5.30
Pacific States Electric Company	-	4888.21
Pierce Roeding Company (Insulators)	-	329.29
Price Pump and Electric Company	-	168.35
Perry Bros. (Livery Hire) (Halfmoon Bay)	-	12.50
M. & K. Company (Electric Supply)	-	1.25
A. Ritz (Mdse. ")	-	1.25
J. A. Roebling (Wire)	-	205.13
Levy	-	3.15
J. Rice (Blacksmith)	-	3.50
Standard Underground Cable Company	-	516.52
R. B. Swayne (Whsl. Lbr.)	-	580.30
Union Oil Company of California	-	18.50
C. Y. Vilasco (Blacksmithing)	-	77.30
Wagner Electric Manufacturing Company	-	51.16
F. Bernardo (Drayage)	-	22.75
C. W. Bordeu (Lumber)	-	87.84
C. Debenedetti	-	4.10
Heck Judd Company (Stationery)	-	63.50
Bancroft Whitney Company	-	6.50
Great Western Power Company	-	244.00
Francis Bros. (Tools) (Halfmoon Bay)	-	2.35
J. D. Neuman (Surveyor)	-	3.50

TOTAL-----\$14074.00 ✓

2. The remainder of the sum realized from the sale of stock to be used for further construction and equipment of applicant's line.

Applicant shall keep separate, true and accurate accounts, showing the receipts and application in detail of the proceeds of the sale of said stock hereby authorized to be issued under this new and increased capitalization, and on or before the 25th day of each month shall make a verified report to this Commission, in accordance with the Commission's General Order No. 24,

stating the sale or disposition of such stock during the preceding month, the terms and conditions of such sale or other disposition, the money realized therefrom and the use to which such money has been put.

The authority hereby given to issue such stock under such increased capitalization shall apply only to stock issued by said company on or before the 31st day of August, 1913.

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 3rd
day of October, 1912.

John M. Eshleman
.....
H. L. ...
.....
...
.....
Max ...
.....

.....
Commissioners.

A true copy

Secretary