

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the
application of
THE CAMPBELL WATER COMPANY
for permission to issue
note.

)
) Application
) No. 2677.
)
)

R. R. Kennedy for applicant

BY THE COMMISSION:

OPINION.

The Campbell Water Company applies for authority to issue its unsecured promissory note for \$750 and use the proceeds to pay its two demand notes in favor of The Bank of Campbell with interest at 7% per annum, one for \$250, dated February 11, 1916, and one for \$500, dated March 8, 1916.

Applicant is engaged in serving water to the inhabitants of Campbell, an unincorporated town in Santa Clara County, and reports a satisfactory and steadily growing business. It has an authorized capital stock of \$25,000, divided into 1,000 shares of the par value of \$25 each, of which 520 shares of the total par value of \$13,000 are issued and now outstanding. It has no other indebtedness than the two notes described and for several years has been paying satisfactory dividends.

The proceeds of its two said notes were used for additions and betterments to its plant and system, \$429.19 being for the purchase and installation of a pressure pump to increase the pressure for fire fighting purposes pursuant to an understanding that fire hydrants will be installed by popular subscription.

ORDER.

THE CAMPBELL WATER COMPANY having applied to the Railroad Commission for authority to issue its unsecured note for \$750 and use the proceeds to retire two notes hereinafter described, and a public hearing having been held thereon and in the opinion of the Commission the money to be procured by said issue of note is reasonably required for the purposes specified in the order, which purposes are not in whole or in part reasonably chargeable to operating expenses or to income.

IT IS HEREBY ORDERED by the Railroad Commission of the State of California that The Campbell Water Company be and it is hereby authorized to issue its unsecured promissory note or notes in the aggregate sum of \$750 to bear interest at a rate not exceeding 7% per annum and to sell said note or notes for cash at not less than the face value thereof net to applicant and from the proceeds of the sale of said note or notes pay and cancel its two demand notes in favor of The Bank of Campbell, each bearing interest at the rate of 7% per annum, one note for \$250, being dated February 11, 1916, and one note for \$500 being dated March 8, 1916.

The note or notes hereby authorized may be extended or reissued from time to time provided the aggregate term or terms of said note or notes shall not exceed the total period of three years after date hereof.

The authority hereby granted is upon the following conditions and not otherwise:

1. Within 10 days after the date of issue or reissue or renewal of said note or notes, applicant shall report in writing the fact and date thereof, with amount, term and payee of said note or notes.

2. The authority hereby granted shall apply only to such notes as may be issued and sold on or before March 1, 1917.

3. The authority hereby granted shall not become effective until applicant shall have paid the fee specified in the Public Utilities Act.

Dated at San Francisco, California, this 9th day of January, 1917.

Max Thelen
H. D. Howard
Alex Gordon

Fran R. Decker
Commissioners.

