

Decision No. 4083

ORIGINAL

Decision No. _____

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the matter of the application of COACHELLA VALLEY ICE AND ELECTRIC COMPANY for an order authorizing the issue of bonds of the face value of \$300,000.

) Application No. 839.

In the matter of the application of HOLTON POWER COMPANY for authority to guarantee the principal and interest of bonds of the COACHELLA VALLEY ICE AND ELECTRIC COMPANY of the face value of \$300,000.

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER.

WHEREAS, this Commission, in Decision No. 1135, dated December 13, 1913, (Volume 3, Opinions and Orders of the Railroad Commission of California, page 1059) authorized the Coachella/^{Valley}Ice and Electric Company to issue \$300,000. face value of first mortgage six per cent. bonds at eighty (80%) per cent. of face value plus accrued interest, and

WHEREAS, said order provided that no dividends should be declared by Coachella Valley Ice and Electric Company until one-third of the discount on said bonds

should have been amortized from earnings and that during each subsequent year thereafter until said discount should have been completely amortized from earnings that the company should declare no dividends until the proportionate amount of the remaining unamortized discount should have been amortized, and

WHEREAS, applicant has now represented to the Commission that at the present time the sum of \$55,000. remains to be amortized out of its earnings, and

WHEREAS, applicant has requested that the Commission's Order in Decision No. 1135 be amended to allow the \$55,000. of bond discount remaining to be proportionately amortized each year so that dividends may be declared from the remaining surplus if earned;

And it appearing to this Commission that its Order in Decision No. 1135 may be modified to provide that Coachella Valley Ice and Electric Company shall amortize the discount on its bonds ratably over a period of twenty years,

IT IS HEREBY ORDERED that condition No. 4 of said Decision No. 1135, reading as follows;

"Coachella Valley Ice and Electric Company shall declare no dividends until one third of the discount on the bonds hereby authorized to be sold shall have been amortized from earnings, and during each subsequent year thereafter until said discount shall have been completely amortized from earnings, said company shall declare no dividends until the proportionate amount of the remaining unamortized discount shall have been amortized."

be and it is hereby amended to read as follows:

"(4) The discount on the bonds hereby authorized to be sold shall be amortized by Coachella Valley Ice and Electric Company out of its earnings ratably over a period of twenty years."

IT IS HEREBY FURTHER ORDERED that this Commission's Decision No. 1135, dated December 13, 1913, shall remain in full force and effect except as modified by this First Supplemental Order.

Dated at San Francisco, California, this *5th* day of February, 1917.

May Helen
H. Stewart
W. J. ...

Frank ...
Commissioners.