

ORIGINAL

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Decision No. \_\_\_\_\_.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application  
of PEOPLES WATER COMPANY for  
reorganization.

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Application No. 1531.

By the Commission.

SUPPLEMENTAL ORDER.

WHEREAS, on January 20, 1917, this Commission issued an order in the above entitled matter ( Decision No. 4034) authorizing East Bay Water Company to issue and deliver to E. S. Heller or his nominees, in consideration of the transfer of all the property heretofore owned by Peoples Water Company, first mortgage five and one-half per cent thirty year gold bonds of a face value of \$9,861,672.43; six per cent cumulative preferred stock Class "A" of a par value of \$4,437,600.00; six per cent non-cumulative preferred stock Class "B" of a par value of \$2,958,400.00, and common stock of the par value of \$100,000.00; and

WHEREAS, \$50,460.00 face value of said five and one-half per cent thirty year gold bonds were to be used by said E. S. Heller for the purpose of paying in cash \$87,000.00 face value of the general mortgage five per cent bonds of Peoples Water Company,

outstanding and undeposited under applicant's reorganization plan on the basis of \$580.00 for each \$1000.00 of said general mortgage five per cent bonds of Peoples Water Company; and

WHEREAS, the Reorganization Committee of Peoples Water Company and East Bay Water Company have now filed a Supplemental Petition with this Commission stating that many of the undeposited bonds have been located and the owners desire to exchange them for the stock and bonds which were provided for in the plan of reorganization of Peoples Water Company; and asking for authority, in lieu of said \$50,460.00 of East Bay Water Company bonds, to issue bonds and stock as follows, to be used by said E. S. Heller to satisfy the claims of the holders of said \$87,000.00 of Peoples Water Company bonds:-

East Bay Water Company Bonds, at \$106.93 each .....	\$9,302.91
Class "A" Preferred Stock, 60% of \$87,000 .....	52,200.00
Class "B" Preferred Stock, 40% of \$87,000 .....	34,800.00

AND WHEREAS, under the plan here proposed, the holders of said \$87,000.00 of Peoples Water Company bonds will be enabled to participate in the reorganization on the same basis as all other bondholders of Peoples Water Company; and

WHEREAS, it appears to this Commission that the applicant's proposal is reasonable and should be granted and that the purposes for which it proposes to issue said stocks and bonds herein requested to be issued are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that East Bay Water Company be granted authority to issue the following stocks and bonds:

\$9,302.91 face value of its five and one-half per cent thirty year gold bonds ..... \$9,302.91

522 shares of its Class "A" cumulative preferred stock of the par value of \$100.00 per share or a total par value of ..... \$2,200.00

*H.M.A.*

348 shares of applicant's Class "B" preferred stock of the par value of \$100.00 per share a total par value of ..... 34,800.00

PROVIDED that the stocks and bonds herein authorized to be issued shall be issued to E. S. Heller in part payment for the properties formerly owned by Peoples Water Company, transferred by him to East Bay Water Company; the intention being that the stocks and bonds herein authorized to be issued shall be made available for distribution pro rata among the holders of \$87,000.00 face value of bonds of Peoples Water Company heretofore outstanding and undeposited under applicant's plan of reorganization.

PROVIDED FURTHER, that the bonds and stock herein authorized shall be issued in exchange for East Bay Water Company bonds, and in the following proportions:

For each \$106.95 face value of bonds plus \$600.00 par value of Class "A" stock, plus \$400 par value of Class "B" stock to be issued there shall be returned to the treasury of East Bay Water Company \$580 face of East Bay Water Company bonds.

On or before the 25th day of each month, the applicant shall make a report to this Commission of such action as

it may have taken during the preceding month under the authorization herein.

The authority herein given shall apply to such stocks and bonds as shall be issued on or before April 15, 1917.

Dated at San Francisco, California, this 7<sup>th</sup> day of March, 1917.

Max Thelem  
H. D. Howard  
W. G. ...  
Edwin O. Esquire  
Frank R. ...  
Commissioners.