

ORIGINAL

Decision No. 4196

Decision No. _____

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA

In the Matter of the Application of)	
FALL RIVER MILLS WATER COMPANY)	<u>Application</u>
for the issuance and sale of stock)	<u>No. 2866.</u>
and sale of Treasury Stock.)	

W.A. Wilson for applicant.

BY THE COMMISSION.

O P I N I O N .

FALL RIVER MILLS WATER COMPANY, operating in Shasta County, applies to this Commission for permission to issue six (6) shares of common stock of the par value of Ten Dollars (\$10.00) per share in lieu of stock heretofore issued without authority from this Commission.

A public hearing was held in this matter at Fall River Mills by Examiner Encell on June 22nd, 1917.

Evidence was submitted at the hearing showing that there had been returned to the Company's treasury, by reason of the death of a stockholder, three and three-quarters (3-3/4) shares of stock, which shares were later disposed of at par to secure funds for improvements. The other two and one-quarter (2-1/4) shares were sold at par and the moneys realized were invested in the plant.

During the year 1916, this utility found it necessary to extend its main suction pipe line from the pumping plant to the bank of Fall River at an expense of \$159.50, part of which was paid through the issue of stock.

The evidence shows that the six shares of stock were issued without authority from this Commission and are therefore void, but there was no intent to violate any provisions of the Public Utilities Act.

O R D E R.

FALL RIVER MILLS WATER COMPANY having applied to the Railroad Commission for authority to issue stock in lieu of stock heretofore issued without authority from the Commission,

And a public hearing having been held and the Commission being of the opinion that the money, property or labor to be procured or paid for by such issue is reasonably required for the purpose or purposes specified in the order and that such purpose or purposes are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that Fall River Mills Water Company be, and it is hereby, granted authority to issue six (6) shares of common stock at not less than par value of Ten Dollars (\$10.00) per share in lieu of and upon the cancellation and surrender of a like number of shares heretofore paid for at the rate of Ten Dollars (\$10.00) per share and issued without authority from this Commission, to secure funds to pay for improvements mentioned in the foregoing opinion.

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

(1).-- On or before the 25th day of each month applicant shall file a report in accordance with this Commission's General Order Number 24.

(2).-- The authority herein granted shall apply only to such stock as shall be issued on or before November 1, 1917.

Dated at San Francisco, California, this 31st day of July, 1917.

W. W. Howard

Edwin O. Edgerton

Frank R. Dolan

Commissioners.