

ORIGINAL

Decision No. 5431

Decision No. _____

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the Matter of the Application of)
SPRING VALLEY WATER COMPANY,)
a corporation, for authorization to)
issue promissory notes and execute a)
collateral trust agreement and to)
pledge bonds thereunder to secure.)
said notes.)

Application Number 3509.

John E. Behan for applicant.

LOVELAND, Commissioner.

FIRST SUPPLEMENTAL OPINION.

On February 14, 1918, the Railroad Commission authorized SPRING VALLEY WATER COMPANY to issue \$4,000,000.00 of 2-year 6 per cent notes payable March 1, 1920 and to issue and pledge \$5,250,000.00 of its 4 per cent general mortgage bonds under a collateral trust agreement filed in this proceeding and marked applicant's "Exhibit Number One".

On March 1, 1918, applicant issued \$3,300,000.00 of said notes and \$4,290,000.00 of said bonds. Subsequent to the issue of the notes, the question has been raised whether the notes constitute an increase in the bonded indebtedness of the company within the meaning of the constitution and section 359 of the Civil Code of the State of California. Because of the doubt in this matter, the company proposes to execute a new collateral trust agreement, a copy of which has been filed in this proceeding and marked applicant's "Exhibit Number Three", call in the notes issued and re-issue them subject to the terms of the new agreement.

I herewith submit the following form of supplemental order.

FIRST SUPPLEMENTAL ORDER.

IT IS HEREBY ORDERED that the order in Decision Number 5127, dated February 14, 1918, be, and the same is hereby, amended so as to permit SPRING VALLEY WATER COMPANY to execute a collateral trust agreement substantially in the same form as the collateral trust agreement filed with the Railroad Commission in this proceeding and marked "Exhibit Number Three", and to re-issue the \$4,000,000.00 face value of 2-year 6 per cent notes payable March 1, 1920 and the \$5,250,000.00 of general mortgage ^{4 per cent} bonds payable December 1, 1923, or in lieu thereof, issue \$4,000,000.00 face value of 2-year 6 per cent notes payable March 1, 1920 and \$5,250,000.00 face value of its general mortgage 4 per cent bonds payable December 1, 1923.

IT IS HEREBY FURTHER ORDERED that the authority herein granted is subject to all the terms and conditions in the order in Decision Number 5127, dated February 14, 1918, except as such conditions are inconsistent with and are modified by this First Supplemental Order.

The foregoing First Supplemental Opinion and Order are hereby approved and ordered filed as the First Supplemental Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 25th day of May, 1918.

Wm. T. Keeler
H. L. ...
...
Edwin O. Edgerton
Frank P. ...

Commissioners.