

Decision No. 6842.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of)
CENTRAL COUNTIES GAS COMPANY for an) Application No. 5096.
order authorizing the issue and sale)
of common stock.)

F.W. Hunter, for applicant.

LOVELAND, Commissioner.

O P I N I O N.

CENTRAL COUNTIES GAS COMPANY asks permission to issue \$28,500.00 par value of common stock at 80.

To improve its service at Porterville, Lindsay and Exeter, applicant is installing a 120,000 cubic foot gas holder at Porterville. The cost of the holder installed is estimated at \$22,806.88. The construction of the new holder should not only result in better service but will also enable applicant to add new consumers to its system. The company's present holder at Porterville has a capacity of but 10,000 cubic feet. Applicant's generating plant, located at Visalia, is connected with the 10,000 cubic foot holder by a 3" transmission line. F.W. Hunter reports that it is very difficult to make replacements on the transmission line without shutting off the service at Porterville and that with the installation of the new holder, improvements and replacements on the transmission line can be more readily made without interfering with the service.

Applicant reports that it has borrowed from Williams R. Staats Company \$7,000.00 on a 60-day 7 per cent note and has used

the moneys to pay in part for the holder and expenses incidental to its acquisition and construction. Applicant intends to pay the \$7,000.00 note with moneys obtained through the issue of its stock.

Stockholders of the Central Counties Gas Company have agreed to acquire the \$28,500.00 of stock covered by this application.

I herewith submit the following form of Order.

O R D E R.

CENTRAL COUNTIES GAS COMPANY having applied to the Railroad Commission for permission to issue \$28,500.00 of stock, a public hearing having been held and the Railroad Commission being of the opinion that the moneys, properties or labor to be procured or paid for by such issue is reasonably required for the purpose or purposes specified in this order and that the expenditures for such purpose or purposes are not in whole or in part reasonably chargeable to operating expenses or to income;

IT IS HEREBY ORDERED that CENTRAL COUNTIES GAS COMPANY, be, and it is hereby, authorized to issue, and sell for cash on or before February 1, 1920, at not less than 80 per cent of its par value, \$28,500.00 of its common stock and use the proceeds to pay the note and expenses incidental to the acquisition and construction of the 120,000 cubic foot gas holder referred to in the petition herein, provided that Central Counties Gas Company will keep such record of the issue and sale of the stock herein authorized and of the disposition of the proceeds as will enable it to file on or before the twenty-fifth

day of each month a verified report as required by the Railroad Commission's General Order Number 24, which order, in so far as applicable, is made a part of this order.

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

Dated at San Francisco, California, this 18th day of November, 1919.

Edwin O. Edgerton
H. D. Loveland
Frank R. Wilson
H. K. Brundage
Irving Martin
Commissioners.