

Decision No. 66697

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
QUAIL LAKE WATER COMPANY, a  
corporation, for an order authorizing  
the issuance of stock, for a certificate  
of public convenience and necessity to  
acquire and maintain a water system,  
and for an order fixing water rates.

} Application No. 42433  
(As Amended)

FIRST SUPPLEMENTAL ORDER

In Decision No. 60942, dated October 25, 1960, in this proceeding, the Commission authorized Quail Lake Water Company to issue and sell not to exceed 2,400 shares of its \$100 par value common stock on or before December 31, 1963.

Applicant reports that it has not completed all of the installations permitted to be financed by a portion of the stock issue and that, as a consequence, it has not exercised all of the stock authorization. The company now requests an extension of time to December 31, 1964, so as to enable it to issue the remainder of the previously authorized shares of stock.

The Commission has considered this request and finds that the money, property or labor to be procured or paid for by the issue of said 2,400 shares of stock is reasonably required for the purposes referred to in said Decision No. 60942, and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income. On the basis

of these findings, we conclude that the request should be granted. A public hearing is not necessary.

In issuing our order herein, we place applicant and its shareholder, or shareholders, on notice that we do not regard the number of shares outstanding, the total par value of the shares nor the dividends paid as measuring the return applicant should be allowed to earn on its investment in plant and that the authorization herein given is not to be construed as a finding of value of applicant's stock or properties nor as indicative of amounts to be included in future proceedings for the determination of just and reasonable rates.

IT IS ORDERED that:

1. Quail Lake Water Company, on or before December 31, 1964, may issue and sell not to exceed 2,400 shares of its common stock at not less than \$100 per share for the purposes referred to in Decision No. 60942, dated October 25, 1960.

2. Quail Lake Water Company shall file with this Commission a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

3. The effective date of this First Supplemental Order is the date hereof.

Dated at San Francisco, California, this 28th day of January, 1964.

William L. Bennett  
President

John Mitchell

Robert M. Kege

George G. Trover

Fredrick B. Hallock  
Commissioners