

ORIGINAL

Decision No. 67418

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Golconda Utilities Company, a California corporation, for a certificate of public convenience and necessity to operate as a public utility water company; to acquire the assets of Hinkley Valley Water Company, a public utility partnership comprised of Robert J. Erwin and Forrest J. Wood; and A. T. Smith Water Company, a public utility proprietorship comprised of W. Paul Payne; to issue securities; to establish rates.

Application No. 45772

SUPPLEMENTAL OPINION AND ORDER

Decision No. 67347, dated June 10, 1964, in this proceeding authorized Golconda Utilities Company (Golconda) to issue \$260 aggregate par value of its capital stock in exchange for \$2,600 of cash for working capital. Authorization of the issue of additional such shares in consideration of the net depreciated original cost of utility plant was withheld pending the determination of such cost by means of an inventory and appraisal to be filed in this proceeding by Golconda.

By petition filed June 15, 1964, Golconda requests authority to issue, at \$10 per share, 7,460 shares of its capital stock having a par value of \$1 per share, for the following purposes:

| | |
|---|---------------|
| Payment of liabilities and notes related to installation and acquisition of utility plant | \$66,406 |
| Funds to cover cost of installing meters on services and sources of supply | 5,550 |
| Funds for preparation of inventory and appraisal | 2,500 |
| Total | <u>74,456</u> |

The record so far in this proceeding shows that the total amount of stock which it will be appropriate ultimately to authorize in consideration of the net depreciated original cost of utility plant is in excess of the interim amount now requested by Golconda for that purpose.

The Commission finds that the money, property or labor to be procured or paid for in part by the issue of the stock herein authorized is reasonably required for the purposes specified herein, and such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.

The Commission concludes that the authority requested in Golconda's petition should be granted as provided in the order which follows.

IT IS ORDERED that:

1. Golconda Utilities Company (Golconda) may issue not to exceed \$7,460 aggregate par value of its capital stock for the purposes set forth herein, in addition to the stock issue authorized by Decision No. 67347 herein.

2. Golconda 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.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 23rd day of JUNE, 1964.

[Signature] President
[Signature]
George T. Brown
Fredrick B. Halloff
Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.