

ORIGINALDecision No. 71501

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)	
of SAN JOSE WATER WORKS, a)	Application No. 48824
corporation,)	
for an order authorizing it to)	
issue an additional amount of)	
its bonds)	
_____)	

FIRST SUPPLEMENTAL OPINION AND ORDER

By Decision No. 71428, dated October 18, 1966, in the above-entitled matter, the Commission authorized San Jose Water Works to execute and deliver a supplemental indenture, and to issue and sell not to exceed \$1,000,000 principal amount of its First Mortgage 6-1/2% Bonds, Series O.

In describing the redemption provisions of said bonds, the Commission indicated an initial redemption price of 106.5% plus accrued interest during the twelve months ending November 1, 1967, and thereafter at annually reducing premiums. Although the Commission pointed out that redemption may not be made prior to November 1, 1973 through the use of funds borrowed at an effective net interest cost of less than 6-1/2% per annum, actually said initial redemption price will apply throughout the period ending on the latter date instead of on November 1, 1967.

Good cause appearing,

IT IS ORDERED that the second sentence of the fourth paragraph of Decision No. 71428, dated October 18, 1966, is hereby modified to read as follows:

Said bonds will be dated November 1, 1966, will mature November 1, 1996, and will be redeemable at the company's option upon payment of an initial redemption price of 106.5% plus accrued interest, if redeemed during the period commencing with the issue of the bonds and ending November 1, 1973, and thereafter at annually reducing premiums.

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

Dated at San Francisco, California, this 10th day of NOVEMBER, 1966.

John S. Mitchell
 President

George L. Grover

Frederick B. Holhoff

Avigador

William L. Bernard
 Commissioners