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Decision No. 12270.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

* * *

In the Matter of the Application of)
WESTERN STATES GAS AND ELECTRIC COMPANY,)
a corporation, for an order authorizing)
the issue and sale of its preferred)
stock of the par value of \$500,000.00.)

Application No. 8568

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER.

WESTERN STATES GAS AND ELECTRIC COMPANY in a supplemental petition filed in the above entitled matter on June 9, 1923, asks permission to use the proceeds received from the sale of \$103,500.00 of the preferred stock authorized by Decision No. 11579, dated February 3, 1923, to reimburse its treasury on account of sinking fund payments.

In Decision No. 11579 the Commission authorized Western States Gas and Electric Company to issue and sell, for cash, at not less than par, \$500,000.00 of its seven per cent. cumulative preferred stock. The order of the Commission permits the company to use an amount of the proceeds not exceeding six per cent. of the par value of the stock sold to pay commissions, salaries, advertising and other expenses incidental to the sale of the stock. The remaining proceeds must be deposited with a bank or banks, or with a trust company or trust companies, and expended only when and for such purposes as the Commission may authorize in a supplemental order or orders.

The company now reports that since December 1, 1919 and prior to July 1, 1923, it has paid, or will pay, into its various sinking funds the sum of \$943,075.00, which amount it has used, or will use, to retire \$1,101,000.00 in bonds, consisting of \$68,000.00 face value of American River Electric Company bonds and \$1,033,000.00 of its first and refunding mortgage five per cent. bonds.

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The Commission heretofore has authorized applicant to use the proceeds from the sale of \$440,400.00 of preferred stock and \$242,457.00 of 15-year notes to refund sinking fund payments made since December 1, 1919. Deducting \$682,857.00, the sum of these two amounts, from the \$1,101,000. leaves a balance of \$418,143.00 of bonds which have not been refunded.

The Commission has given consideration to the request of applicant to use the proceeds from the sale of \$103,500.00 of stock to partially refund these sinking fund payments and it believes this request should be granted as herein provided; therefore -

IT IS HEREBY ORDERED, that WESTERN STATES GAS AND ELECTRIC COMPANY be, and it is hereby, authorized to withdraw the proceeds from the sale of \$103,500.00 of the preferred stock authorized by Decision No. 11579, dated February 3, 1923, for the purpose of reimbursing its treasury on account of sinking fund payments since December 1, 1919, or to pay current indebtedness incurred in making such sinking fund payments.

IT IS HEREBY FURTHER ORDERED, that the order in Decision No. 11579, dated February 3, 1923, shall remain in full force and effect except as modified by this First Supplemental Order.

DATED at San Francisco, California, this 25th day of June, 1923.

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W. A. Brundage

E. J. Shore

J. T. Whitting

Commissioners.