

Decision No. 12410.

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 authority to create
a note indebtedness in the sum of
\$20,000,000.00 and to sell and dispose
of such notes of the face value of
\$5,000,000.00.

Application Number 8331.

ORIGINAL

BY THE COMMISSION:

FIFTH SUPPLEMENTAL ORDER.

WESTERN STATES GAS AND ELECTRIC COMPANY in its fifth supplemental application filed in the above entitled matter on July 26, 1923, asks permission to use \$83,973.50 of the proceeds received from the sale of the notes authorized by Decision Number 11123 dated October 18, 1922, as amended, to finance construction expenditures made prior to June 30, 1923.

By Decision Number 11123 the Railroad Commission authorized Western States Gas and Electric Company to issue and sell for cash at not less than ninety one and one half percent. of face value and accrued interest, five million dollars of Series "A" six percent. notes due November 1, 1937 or interim certificates of like amount.

The order of the Commission, as amended, from time to time, has permitted the company to expend \$2,694,680.00 of the proceeds to redeem \$2,668,000.00 of ten year notes; \$1,204,995.00 to redeem \$1,999,000.00 of five year notes; \$221,848.00 to reimburse its treasury because of surplus earnings ^{used} to make sinking fund pay-

ments; and \$364,486.20 to finance in part the cost of construction expenditures made prior to April 30, 1923. The remaining proceeds amounting to \$88,990.80 may be expended only as authorized by the Commission in supplemental order.

The company now reports that during the months of May and June, 1923, it expended for construction purposes, exclusive of its El Dorado power development, the sum of \$194,348.14, as shown in some detail in exhibits attached to the supplemental petition. It appears that a portion of these expenditures has been paid or provided for through the issue of stock or bonds but that there remained a balance of uncapitalized construction expenditures on June 30, 1923 of \$172,964.30. The company asks that it be authorized to use \$83,973.50 received from the sale of its notes to finance in part these reported expenditures.

The Commission has given consideration to applicant's request and believes that it 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 use \$83,973.50 of the proceeds received from the sale of the Series "A" six percent. notes authorized by Decision Number 11123 dated October 18, 1922, as amended, to finance in part the cost of additions and betterments made prior to June 30, 1923 and not otherwise capitalized.

IT IS HEREBY FURTHER ORDERED that the order in Decision Number 11123, dated October 18, 1922, as amended, shall remain in full force and effect except as modified by this Fifth Supplemental Order.

DATED at San Francisco, California, this 27th day of July, 1923.

C. Seavey
James Macfarlane
Egerton Shore
J. H. Whittey
Commissioners.