

EM

Decision Number 12617.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the Matter of the Application of the)
 PACIFIC GAS AND ELECTRIC COMPANY,)
 a corporation, for an order of the Rail-)
 road Commission of the State of Califor-)
 nia authorizing applicant to issue and) Application Number 9371
 sell to the National City Company (a)
 New York Corporation) \$10,000,000.00)
 face amount of applicant's first and re-)
 funding mortgage gold bonds of Series "C".)

C. P. Cutten, for Applicant.

BY THE COMMISSION:

OPINION

PACIFIC GAS AND ELECTRIC COMPANY asks permission to issue and sell at not less than 92 percent. of their face value and accrued interest \$10,000,000.00 of five and one half percent. first and refunding mortgage gold bonds due December 1, 1952. Subject to their issue and sale being authorized by the Railroad Commission, the company has sold such bonds to the National City Company.

In its Exhibit "D" applicant reports estimated net construction expenditures as of July 31, 1923 amounting to \$22,109,961.73. This estimated expenditure was allocated as follows:-

Electric department	\$6,213,960.09
Gas department	2,579,733.16
Miscellaneous	866,722.07
Mt. Shasta Power Corporation	12,131,247.49
California Telephone & Light Company	22,991.15
Sierra leased properties	<u>295,307.77</u>
TOTAL	<u>\$22,109,961.73</u>

Applicant through stock ownership controls both the Mt. Shasta Power Corporation and the California Telephone and Light Company. It operates under lease the properties of the Sierra and San Francisco Power Company. From time to time it is reimbursed for any moneys expended for permanent plant extensions, additions and betterments to the Sierra and San Francisco Power Company properties.

Applicant does not at this time ask permission to expend any of the proceeds obtained from the sale of the bonds. It agrees to deposit such proceeds with the trustees under its first and refunding mortgage dated December 1, 1920 or one of them, or in a bank or banks, or with the National City Company. It has submitted its Exhibit "D", together with other testimony for the purpose of showing that it is necessary for it to issue and sell the \$10,000,000.00 of bonds.

The order herein will provide that none of the proceeds obtained from the sale of the bonds may be expended except for such purposes as the Railroad Commission will authorize in a supplemental order or orders.

Pending the delivery of the definitive bonds, applicant asks permission to issue temporary bonds.

O R D E R

PACIFIC GAS AND ELECTRIC COMPANY, having applied to the Railroad Commission for permission to issue \$10,000,000.00 of bonds, a public hearing having been held before Examiner Fankhauser and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for by the issue of such bonds is reasonably required by applicant and that this application should be granted as herein provided;-

IT IS HEREBY ORDERED that the PACIFIC GAS AND ELECTRIC COMPANY be, and it is hereby, authorized to issue and sell at not less than ninety-two percent. of their face value and accrued interest \$10,000,000 of five and one half percent. first and refunding mortgage gold bonds due December 1, 1952;

IT IS HEREBY FURTHER ORDERED that all the proceeds obtained from the sale of the bonds shall be deposited by applicant with the trustees under applicant's first and refunding mortgage dated December 1, 1920 or one of them, or in a bank or banks, or with the National City Company, and may, when and as authorized by the Commission in subsequent orders, be used to pay for the acquisition and construction of additional property or for such other purposes as the Railroad Commission may authorize.

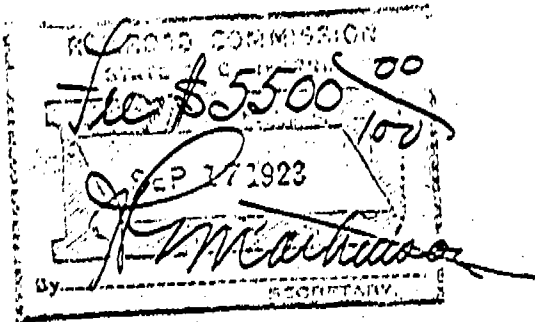
IT IS HEREBY FURTHER ORDERED that pending the delivery of the definitive bonds, applicant may issue in lieu of such definitive bonds, temporary bonds; such temporary bonds to be issued and sold under the same terms and conditions as applicant is herein authorized to issue and sell definitive bonds.

The authority herein granted is subject to further conditions as follows:-

1. Pacific Gas and Electric Company shall keep such record of the issue, sale and delivery of the bonds herein authorized and of the disposition of the proceeds as will enable it to file on or before the 25th day of each month a verified report, as required by the Railroad Commission's General Order No. 24, which order in so far as applicable, is made a part of this order.

2. The authority to issue bonds will become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee amounts to \$5,500.00. The authority to issue bonds will expire on February 1, 1924.

DATED at San Francisco, California, this 17th day of September, 1923.



Clavery

Egerton Shore

J. T. Whittney
Commissioners