

Decision No. 13055-

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 First and Un- )  
ified Mortgage Gold Bonds, Series A, six )  
percent., of the par value of \$550,000. )

Application Number 9647.

**ORIGINAL**

Chickering and Gregory, by Allen L. Chickering,  
and Samuel Kahn, for Applicant.

BY THE COMMISSION:

O P I N I O N

WESTERN STATES GAS AND ELECTRIC COMPANY asks permission to issue and sell, at not less than 88-1/2 percent. of their face value plus accrued interest, \$550,000.00 of its first and unified mortgage Series "A" six percent. bonds, for the purpose of paying indebtedness and of financing the cost of extensions, additions and betterments to its plants and properties.

In Application Number 9525, filed with the Commission on November 16, 1923, the company reported its uncapitalized construction expenditures as of September 30, 1923, as \$661,803.24 and it estimated that during the period from October 1, 1923 to March 30, 1924 it would be called upon to expend \$1,321,150.00 for extensions, additions and betterments. In this application, applicant estimates its construction expenditures for the period commencing April 1, 1924 and ending September 30, 1924 at \$445,400. as shown in Exhibit No. "3" attached to the application. The ac-

tual and estimated construction expenditures to which reference has been made , amount to \$2,428,353.24.

The decision in Application Number 9525 authorizes applicant to issue \$800,000.00 of bonds. In Application Number 9588 now pending before the Commission, applicant asks permission to issue \$750,000 of common stock at par. The two applications involve the issue of \$1,550,000.00 of stock and bonds. Deducting this amount from the \$2,428,353.24 of actual and estimated construction expenditures leaves a balance of \$878,353.00. Applicant asks permission to issue the \$550,000.00 of bonds for the purpose of paying in part the cost of additions and betterments to which reference has been made, or to pay indebtedness incurred for that purpose.

Applicant reports, however, that it does not intend to sell the bonds at this time. It will hold them in its treasury until such time as the Commission will fix the price at which the bonds may be sold.

#### ORDER

WESTERN STATES GAS AND ELECTRIC COMPANY, having applied to the Railroad Commission for permission to issue bonds, a public hearing having been held before Examiner Fankhauser, and the Commission being of the opinion that the money, property or labor to be procured or paid for by such issue is reasonably required by applicant for the purposes specified herein, and that the expenditures for such purposes are not in whole or in part reasonably chargeable to operating expense or to income,

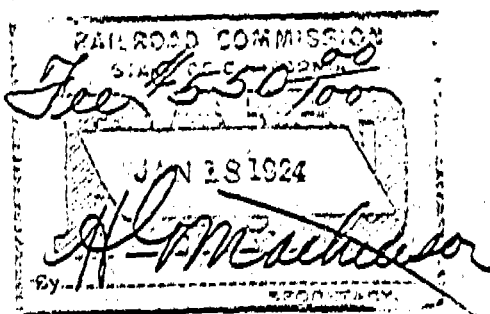
IT IS HEREBY ORDERED that Western States Gas and Electric Company be, and it is hereby, authorized to issue \$550,000.00 of its

first and unified mortgage Series "A" six percent. bonds for the purpose of paying in part the cost of the additions and betterments referred to in the foregoing opinion or to pay indebtedness incurred because of the construction of said additions and betterments.

The authority herein granted is subject to the following conditions:-

1. None of the bonds herein authorized shall be sold until the Commission by supplemental order has fixed the price at which they may be sold.
2. Applicant 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.
3. The authority herein granted to issue bonds will become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is \$550., and will expire on September 30, 1924.

DATED at San Francisco, California, this 16<sup>th</sup> day of January, 1924.



C. Leary  
R. B. Blanding  
Wm. Martin  
Eugene Shore  
J. Whittney  
Commissioners.