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Decision No. 13270.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
PACIFIC GAS AND ELECTRIC COMPANY,
a corporation, for an order of the
Railroad Commission of the State of
California authorizing applicant to
issue \$11,559,000. face value of its
general and refunding mortgage gold
bonds and to deposit and pledge said
bonds with the Mercantile Trust Com-
pany (San Francisco) under and in
accordance with the provisions of
applicant's first and refunding mort-
gage dated December 1, 1920.

ORIGINAL

Application Number 9833

C. P. Cutten, for Applicant.

BY THE COMMISSION:

O P I N I O N

In this application Pacific Gas and Electric Company asks permission to issue and deposit with Mercantile Trust Company (of San Francisco), trustee, under its first and refunding mortgage, \$11,559,000. face value of its general and refunding mortgage five percent. gold bonds due January 1, 1942.

Pacific Gas and Electric Company, pursuant to authority granted by the Commission in Decision Number 8724, dated March 10, 1921, executed its first and refunding mortgage. In this mortgage it agrees, among other things, that it will not issue and sell any additional general and refunding mortgage bonds but that such bonds, after certification, will be deposited with the trustee under the first and refunding mortgage or exchanged for underlying bonds pursuant to the terms of the general and refunding mortgage. Bonds thus pledged with the trustee under the first and refunding mortgage will be held by such trustee until such time as the general and refunding mort-

gage is discharged of record, at which time they will be cancelled. Heretofore the Commission has authorized the issue and sale of \$50,720,000.00 of first and refunding mortgage bonds and the issue and pledge of \$33,640,000. of general and refunding mortgage bonds.

In support of the request to issue and pledge an additional \$11,559,000. of general and refunding mortgage bonds, applicant reports that since December 1, 1922 and prior to November 30, 1923 it had expended \$12,844,140.70 for additions and betterments against which no general and refunding mortgage bonds had been issued. Because of such expenditures and the provisions of its first and refunding mortgage, Pacific Gas and Electric Company asks at this time to issue \$11,559,000. additional of its general and refunding mortgage bonds.

O R D E R

Pacific Gas and Electric Company, having applied to the Railroad Commission for permission to issue and deposit \$11,559,000. 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 through such issue and deposit of bonds 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 Pacific Gas and Electric Company be, and it is hereby, authorized to issue and deposit with the Mercantile Trust Company (of San Francisco,) trustee, under its first and refunding mortgage, \$11,559,000. of its general and refunding mortgage bonds for the purpose of securing in part the payment of the bonds issued and sold under said first and refunding mortgage, such general and refunding mortgage bonds to be deposited under and

pursuant to the provisions of the first and refunding mortgage dated December 1, 1920.

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

1. Pacific Gas and Electric Company shall file with the Railroad Commission a verified report or reports 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 herein granted to issue and pledge bonds will become effective upon the date hereof. Under the authority herein granted no bonds may be issued and deposited after June 30, 1924.

DATED at San Francisco, California, this 14th day of March, 1924.

C. L. Seaver
H. K. Brundage
Dwight Martin
Egerton Shaw

Commissioners.