

Decision No. 13623**ORIGINAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of)
 SAN JOAQUIN LIGHT AND POWER CORPORA-)
 TION for an order authorizing the) Application Number 10073
 issue and sale of bonds.)

Murray Bourne, for Applicant.

BY THE COMMISSION :

O P I N I O N

San Joaquin Light and Power Corporation in the above entitled application, as amended, asks permission to issue and sell at 95 per cent of their face value and accrued interest \$1,500,000.00 of its unifying and refunding six per cent Series "C" of 1954 bonds.

Applicant asks permission to use the proceeds to pay in part construction expenditures which it intends to incur during 1925. There has been filed in this proceeding a statement showing estimated construction expenditures of \$1,749,129.00. These estimated expenditures are distributed as follows :-

Auto Transformer and Switches 110/70 KV P.E. #1	\$ 95,000.00
110 KV Line, Kerckhoff to #1 P.E.	40,000.00
110 KV Line Control Switches Kerckhoff P.E.	15,000.00
Install Dredging Equipment #1 Reservoir	7,095.00
Merced River South Fork Survey	9,000.00
Air Washers & Evectors Bakersfield Steam Plant	10,500.00
Operators Cottages, Tule P.E. Corcoran Sub.,	
Merced Sub, Semi-Tropic Sub-Station	17,000.00
Additional Switching Apparatus at various stations	38,000.00
North Fresno Sub-Station	85,000.00
Kingsburg Sub-Station	70,000.00
Mendota Sub-Station	32,318.00
New Gas Generator, Merced	25,000.00
New Mains to improve Bakersfield Gas Distribution	
System	15,816.00
11 KV Line North Fresno Sub to O St.	45,000.00
Increase Capacity various lines, etc.	104,400.00
Distribution lines etc. to serve new business	1,140,000.00
	<u>\$ 1,749,129.00</u>

It is of record that applicant's expenditures for additions and betterments during 1925 will be in excess of the estimates submitted in this proceeding.

Representatives of applicant believe that because of a possible decrease in earnings during the remainder of the current year it is advisable and desirable that applicant issue the \$1,500,000. of bonds forthwith. In its application, as originally filed, San Joaquin Light and Power Corporation asked permission to issue \$1,500,000 of its unifying and refunding six per cent Series "B" of 1952 bonds. These bonds are non-callable. The Commission advised applicant that it will not, at this time, authorize the issue of non-callable bonds. Applicant thereupon amended its application and now asks permission to issue \$1,500,000. of its unifying and refunding six per cent Series "C" of 1954 bonds. Though the Commission has not yet been furnished with a copy of the proposed Series "C" bonds, it has been advised that the bonds are callable at 105 during the first 10 years of their term and thereafter at a premium of one fourth of one per cent for each year or fraction thereof of the unexpired term of the bonds.

ORDER

San Joaquín Light and Power Corporation having applied to the Railroad Commission for permission to issue \$1,500,000.00 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 through the issue of the bonds is reasonably required by applicant and that the expenditures herein authorized are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that SAN JOAQUIN LIGHT AND POWER CORPORATION be, and it is hereby, authorized to issue and sell on or before

December 31, 1924 at not less than 95 per cent of their face value and accrued interest \$1,500,000. of its unifying and refunding six per cent Series "C" of 1954 bonds.

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

1. The proceeds obtained from the sale of the bonds other than the accrued interest, shall be used by applicant to pay in part such cost of the additions and betterments described in Exhibit "C" filed in this proceeding as is properly chargeable to fixed capital account under the Uniform Classification of Accounts prescribed or adopted by the Railroad Commission. The moneys representing accrued interest may be used for general corporate purposes.
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 Number 24, which order in so far as applicable, is made a part of this order.
3. The authority herein granted will not become effective until applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is \$1,250, nor until there has been filed with the Commission, in satisfactory form, a copy of applicant's Series "C" of 1954 bonds.

DATED at San Francisco, California, this 26th day of

May, 1924.

Fee \$1250⁰⁰/₁₀₀

A. M. ...

H. B. ...
Iwing Martin
Egerton Shore

Commissioners.