

Decision No. 13940

## 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 and sell to The National City  
 Company (a New York corporation)  
 \$12,500,000. face amount of appli-  
 cant's first and refunding mortgage  
 gold bonds of Series "C".

ORIGINAL

Application Number 10409

C. P. Cutten for Applicant.

BRUNDIGE, Commissioner :

OPINION

Pacific Gas and Electric Company asks permission to issue and sell at 94½ per cent of face value and accrued interest \$12,500,000. of first and refunding mortgage Series "C" 5½ per cent bonds due December 1, 1952, for the purpose of paying the cost of extensions, additions, betterments and improvements to its facilities and the facilities of Mt. Shasta Power Corporation described in Applicant's Exhibit Number 2.

In such exhibit applicant, as of April 30, 1924, reports \$27,280,295.77 of actual or estimated construction expenditures for the payment of which no provision was made. Since then the Commission has authorized applicant to issue \$10,000,000. of common stock (Decision Number 13750, dated July 1, 1924 Application Number 10182 and Decision Number 13910, dated August 12, 1924 Application Number 10361). Of such stock the record shows that approximately \$7,200,000. has been sold at \$93. per share. Under the Commission's decision the remainder of the stock may be sold for not less than \$93. per share.

As of June 30, 1924 applicant and its subsidiary companies report \$141,461.100. of bonds outstanding in the hands of the public. As of the same date applicant reports \$90,095,243.58 of stock owned or subscribed for by the general public. This amount consists of \$54,464,411.91 of 6 per cent preferred stocks and \$35,630,831.67 of common stock.

It is of record that the proceeds which the company will realize from the sale of the bonds which it now asks permission to issue, together with the proceeds which it realized or will realize from the sale of the common stock which the Commission heretofore has authorized to be issued, will enable the company to finance its construction program for a period of about seven months.

I herewith submit the following form of order.

#### O R D E R

Pacific Gas and Electric Company, having applied to the Railroad Commission for permission to issue and sell \$12,500,000. of its first and refunding mortgage Series "C" 5½ per cent bonds, a public hearing having been held and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for through the issue and sale of such bonds is reasonably required for the purposes herein specified and that the expenditures for such purposes are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that the PACIFIC GAS AND ELECTRIC COMPANY be, and it is hereby, authorized to issue and sell on or before November 1, 1924, at ninety-four and one half per cent of their face value and accrued interest, \$12,500,000. of its 5½ per cent first and refunding mortgage Series "C" gold bonds due December 1, 1952 and use the proceeds, other than the accrued interest, to pay in part such cost of the additions and betterments to its properties and those of Mt. Shasta Power Corporation described in Applicant's Exhibit Number 2, as is properly chargeable to fixed capital account under the Uniform System of Accounts

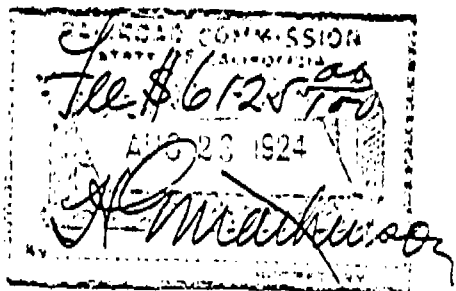
prescribed by the Commission and has not been financed through the issue of stocks or bonds heretofore authorized by the Commission. The accrued interest may be used for general corporate purposes.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is \$6,125.

IT IS HEREBY FURTHER ORDERED that the 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 General Order Number 24, which order in so far as applicable is made a part of this order.

The foregoing Opinion and Order is approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

DATED at San Francisco, California, this 23<sup>rd</sup> day of August, 1924.



C. Shaver  
H. B. Brundage  
Iving Martin

J. T. Whittsey  
Commissioners.