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Decision No. 14758.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
THE WESTERN PACIFIC RAILROAD COMPANY)
for an order authorizing the issue)
of \$4,000,000.00 principal amount of)
first mortgage five percent bonds.)

Application No. 10914

ORIGINAL

F. M. Angellotti, for Applicant.

DECDTO, Commissioner:

O P I N I O N

The Western Pacific Railroad Company asks permission to issue and sell at not less than ninety percent of their face value and accrued interest \$4,000,000.00 of its first mortgage five percent bonds due March 1, 1946. The bonds are to be issued under its first mortgage executed to the First Federal Trust Company and Henry E. Cooper, Trustees, dated June 26, 1916.

It is of record (Applicant's Exhibit "B") that the company expended, from 1920 to 1924, both years inclusive, for additions and betterments to its railroad and other properties owned and used or useful in the proper performance of service to the public as a common carrier, the sum of \$3,510,605.64 and that such sum was not obtained through the issue of stock or bonds. In its Exhibit "C" applicant reports additional actual or estimated expenditures of \$870,377.82.

Applicant asks permission to use the proceeds from the sale of the \$4,000,000.00 of bonds to reimburse its treasury because of the expenditure of \$3,510,605.64 for the purposes set forth in its Exhibit "B" and to pay part of the construction costs reported in its Exhibit "C".

I herewith submit the following form of order:-

O R D E R

The Western Pacific Railroad Company, having applied to the Railroad Commission for permission to issue and sell \$4,000,000.00 of its first mortgage five percent 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 of such 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 The Western Pacific Railroad Company be, and it is hereby, authorized to issue on or before October 1, 1925, not exceeding \$4,000,000.00 face value of its first mortgage five percent bonds under its first mortgage to the First Federal Trust Company and Henry E. Cooper, Trustees, dated June 26, 1916, such bonds to contain the same terms as the \$20,000,000 of its first mortgage five percent bonds heretofore issued.

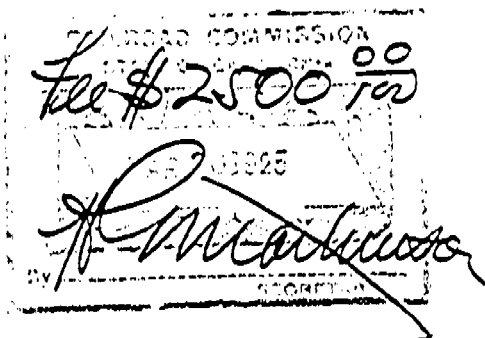
The authority herein granted is subject to the following conditions:-

1. The bonds herein authorized to be issued shall be sold by The Western Pacific Railway Company for not less than ninety percent of their face value and accrued interest.
2. Of the proceeds realized from the sale of the bonds \$3,510,605.64 may be used by applicant to reimburse its treasury because of income expended for the additions, betterments and properties described in Exhibit "B".

3. The remainder of the proceeds, other than accrued interest, may be expended to pay in part the cost of the additions, betterments and properties described in Exhibit "C". The accrued interest may be used for general corporate purposes.
4. The Western Pacific Railroad 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.
5. 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 \$2,500.00.

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

DATED at San Francisco, California, this 7th day of April, 1925.



H. B. ...
...
Eugene Shaw
George D. ...
Commissioners.