

Decision No. 10354.

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 SAN DIEGO CONSOLIDATED GAS AND ELECTRIC )  
 COMPANY, a corporation, for an order )  
 authorizing the renewal of certain ) Application No. 11553  
 promissory notes. )

Chickering and Gregory,  
 by Allen D. Chickering, for applicant.

BY THE COMMISSION:

OPINION AND ORDER

San Diego Consolidated Gas and Electric Company asks permission to issue its notes to the General Electric Company in the aggregate sum of \$1,000,000.00 to be payable on or before six months after date with interest at the rate of five percent. per annum, and to issue renewal notes extending the period of said indebtedness to not exceed one year from July 18, 1925.

A public hearing was had before Examiner Fankhauser.

It is of record that on August 18, 1924 the General Electric Company loaned to applicant \$1,000,000.00 payable July 18, 1925, with interest at five percent. per annum. The loan was represented by notes dated August 18, 1924 and due, as said, on July 18, 1925. The company desires permission to issue six months notes for the purpose of refunding such indebtedness, and to renew at the end of six months the notes for another period of six months in the event it deems such renewal advantageous.

*NSMA*  
The testimony shows that the money obtained through the issue of the notes was used by the San Diego Consolidated Gas and Electric Company to pay the cost of constructing extensions, additions and betterments to its properties and those of the San Diego ~~Consolidated~~ Gas and Electric Company controlled through stock ownership by applicant.

The Commission has considered the request of applicant and is of the opinion that the money, property or labor to be procured or acquired by the issue of the \$1,000,000.00 of notes is reasonably required by applicant, and that the expenditures herein authorized are not in whole or in part reasonably chargeable to operating expense or to income and that this application should be granted, therefore.

IT IS HEREBY ORDERED that San Diego Consolidated Gas and Electric Company be, and it is hereby, authorized to issue to the General Electric Company its promissory notes in the aggregate sum of \$1,000,000.00 payable on or before one year after July 18, 1925, with interest at the rate of five percent. per annum, for the purpose of refunding the \$1,000,000.00 of notes issued to the General Electric Company on August 18, 1924. The San Diego Consolidated Gas and Electric Company may issue said \$1,000,000.00 of notes for a term of less than one year, and if said notes are issued for a term of less than one year, may issue notes in renewal thereof from time to time, provided that the term of the notes originally issued under the authority herein granted, and the term of all notes issued in renewal thereof, shall not exceed one year from July 18, 1925.

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 \$1,000.00, and that San Diego Consolidated Gas and Electric

Company shall keep such record of the issue of the notes 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.

DATED at San Francisco, California, this 29<sup>th</sup> day of August, 1925.

C. Seavey

George D. Squires

Leon Whitell

Commissioners.

