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Decision No. 17256.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
LOS ANGELES GAS AND ELECTRIC CORPO-)
RATION for an order authorizing the)
execution of a mortgage and/or deed)
of trust.)

ORIGINAL

Application No. 13050.

Paul Overton, for applicant.

BY THE COMMISSION:

ORDER

Los Angeles Gas and Electric Corporation in the above application, as amended at the hearing had before Examiner Fankhauser on August 2nd, asks permission to execute a mortgage and/or deed of trust substantially in the same form as the mortgage and/or deed of trust filed in this proceeding as applicant's Exhibit No. 3, as modified by its letter of August 17th.

In its original application applicant asked permission to issue \$10,000,000. of bonds as well as to execute a mortgage and/or deed of trust. The request to issue bonds was withdrawn at the hearing.

Los Angeles Gas and Electric Corporation in its Exhibit "1" reports \$31,373,900.00 of stock, divided into \$18,873,900.00 of preferred and \$12,500,000.00 of common stock outstanding. It also reports outstanding \$45,660,500.00 of bonds divided into \$38,138,500.00 of Los Angeles Gas and Electric Corporation general and refunding bonds, \$5,047,000.00 of Los Angeles Gas and Electric Corporation first and refunding bonds, \$1,993,000.00 of Los Angeles Gas and Electric Company bonds and \$482,000.00 of The Los Angeles

Electric Company bonds.

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The general and refunding mortgage of Los Angeles Gas and Electric ^{Corporation} ~~Company~~ secures an authorized bond issue of \$75,000,000.00. Of this amount, \$38,138,500.00 are now outstanding. In addition there have been reserved \$7,520,000.00 to pay ^{or} refund underlying bonds. Representatives of applicant are of the opinion that it should issue no more of its general and refunding bonds, except for sinking fund or refunding purposes.

The proposed mortgage and/or deed of trust will be executed by Los Angeles Lighting Company, as well as by Los Angeles Gas and Electric Corporation. It is of record that the Los Angeles Lighting Company holds the title to some real property on which Los Angeles Gas and Electric Corporation intends to construct an artificial gas plant. The proposed mortgage and/or deed of trust will be a first lien on the property owned by the Los Angeles Lighting Company.

Exhibit No. 3 shows that the stockholders of Los Angeles Gas and Electric Corporation have authorized an increase of its bonded indebtedness up to and including \$150,000,000.00. The proposed mortgage and/or deed of trust provides such bonds may be issued in series from time to time as the Board of Directors may determine. It further provides that each series is to be dated as of such date, bear such rate of interest, mature at such time or times, bear such designation and contain such other specifications and provisions as are in the indenture provided or permitted and as the Board of Directors may from time to time determine.

Applicants ask permission to execute an open-end mortgage. It provides that the stockholders of Los Angeles Gas and Electric Corporation may from time to time authorize the creation of additional bonds, the payment of which may be secured by the same mortgage and/or deed of trust. The Commission has considered applicant's proposed mortgage and/or deed of trust and finds the same to be in satisfactory form and is of the opinion that this application should be granted.

as herein provided, therefore,

IT IS HEREBY ORDERED that Los Angeles Gas and Electric Corporation and Los Angeles Lighting Company be, and they are hereby, authorized to execute a mortgage and/or deed of trust substantially in the same form as the mortgage and/or deed of trust submitted as applicant's Exhibit No. 3, as modified by Los Angeles Gas and Electric Corporation's letter of August 17th, provided that the authority herein granted to execute said mortgage and/or deed of trust is for the purpose of this proceeding only and is granted insofar as this Commission has jurisdiction under the terms of the Public Utilities Act and is not intended as an approval of said mortgage and/or deed of trust as to such other legal requirements to which said mortgage and/or deed of trust may be subject.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days after the execution of the mortgage and/or deed of trust referred to herein, applicant Los Angeles Gas and Electric Corporation shall file with the Railroad Commission two certified copies thereof.

DATED at San Francisco, California, this 23rd day of August, 1926.

H. A. Branding
C. Seaver
Thos. S. Rountab
Commissioners.