

LEM

Decision No. 17911

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, sell and deliver its preferred  
and common capital stock to the  
amount, in the manner and for the  
purposes set forth herein.

ORIGINAL

Application No. 13350

BY THE COMMISSION:

FIRST SUPPLEMENTAL OPINION AND ORDER

The Commission by Decision No. 17801 dated December 25, 1926, authorized the Pacific Gas and Electric Company to issue, sell and deliver on or before December 31, 1930 at not less than the par value thereof, \$1,000,000.00 of its six percent cumulative preferred stock and \$1,000,000.00 of its common stock. The Commission in the opinion of said decision recites that it is the intention of the company to offer the stock to its employees, and that the testimony submitted indicates that under the company's plan the employees will have the right to cancel their subscriptions, in which case the total amounts paid in will be returned with no interest, however, for the first twelve installments, and with interest at the rate of three percent per annum on the succeeding twelve installments and at the rate of four percent on all the remaining installments. Recently Pacific Gas and Electric Company has advised the Commission that it intends to modify the conditions under which it will offer stock to its employees, so that subscriptions may be cancelled only with the consent of the company, and that if it does consent to the cancellation of the subscription, all installments paid in will be refunded with in-

terest at the rate of six percent per annum; and further, when for any reason a subscriber ceases to be an employee of the company before payments are completed, his subscriptions thereupon will be cancelled and the total amount paid in will be refunded with interest at the rate of six percent per annum. A copy of the proposed employees' revised stock offering plan was filed in this proceeding on January 11th. The Commission has no objection to the proposed change and believes that the order in said Decision No. 17801 should be modified accordingly, therefore,

IT IS HEREBY ORDERED that the order in Decision No. 17801, dated December 23, 1926, be, and it is hereby, modified so as to permit Pacific Gas and Electric Company to offer to its employees the stock authorized to be issued, sold and delivered by said order under terms and conditions substantially the same as outlined in the employees' stock offering plan filed in this proceeding on January 11, 1927.

IT IS HEREBY FURTHER ORDERED that the order in Decision No. 17801 dated December 23, 1926 shall remain in full force and effect, except as modified by this First Supplemental Opinion and Order.

DATED at San Francisco, California, this 17<sup>th</sup> day of January, 1927.

Ernest D. Scott  
H. K. Brundage  
C. J. Seaver  
Leon Whitell  
Thos. B. Raiter  
Commissioners.