

LEM

Decision No. 18103

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 pre-) Application No. 13350.
ferred and common capital stock to)
the amount, in the manner and for)
the purposes set forth herein.)

BY THE COMMISSION:

SECOND SUPPLEMENTAL OPINION AND ORDER

Pacific Gas and Electric Company, by Decision No. 17801 dated December 25, 1926, as amended, was authorized to issue and sell, at not less than par, \$1,000,000.00 of its common stock and \$1,000,000.00 of its preferred stock.

In a supplemental petition filed on March 17, 1927, the company reports that it offered the \$2,000,000.00 of stock to its employees and received subscriptions for stock in an aggregate amount of \$2,506,300.00, the over subscription including \$253,150.00 of common and \$253,150.00 of preferred stock. In order to fill these subscriptions, in part, the company asks permission to issue, in addition to the stock authorized by Decision No. 17801, \$250,000.00 of common stock and \$250,000.00 of preferred stock, upon the same terms and conditions heretofore outlined to the Commission in this proceeding, and to use the proceeds for the purposes indicated in said Decision No. 17801, that is, for the purpose of reimbursing its treasury and of financing the cost of the additions and bet-

terments heretofore reported to the Commission, in Exhibits "B", "C", "D" and "E" filed in Application No. 13291. In those exhibits the actual or estimated expenditures were reported at \$22,987,541.02. Against such expenditures the Commission has authorized the issue of stock or the withdrawal of cash in the sum of \$15,849,381.73. Applicant now asks permission to issue additional stock in the sum of \$500,000.00 against said expenditures. In our opinion the money, property or labor to be procured or paid for through such issue is reasonably required for the purposes specified herein and the expenditures for such purposes are not in whole or in part reasonably chargeable to operating expense or to income, therefore,

IT IS HEREBY ORDERED that Pacific Gas and Electric Company be, and it hereby is, authorized to issue, sell and deliver on or before December 31, 1930, at not less than the par value thereof \$250,000.00 of its six percent cumulative preferred stock and \$250,000 of its common stock, in addition to the amounts heretofore authorized to be issued, sold and delivered in this proceeding, and to use the proceeds to reimburse its treasury in part on account of capital expenditures of \$6,631,162.88 made prior to August 31, 1926, and/or to finance in part such cost of the extensions, additions, betterments and improvements to its facilities and to those of Mt. Shasta Power Corporation described in Exhibits "B", "C", "D" and "E" filed in Application No. 13291, as is properly chargeable to fixed capital accounts under the Uniform Systems of Accounts prescribed or adopted by this Commission.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall become effective upon the date hereof.

IT IS HEREBY FURTHER ORDERED that applicant shall keep such record of the issue, sale and delivery of the stock 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, insofar as applicable, is made a part of this order.

DATED at San Francisco, California, this 24~~th~~ day of March, 1927.

H. H. Brandige

C. Seaver

Thos. J. Raitt

Commissioners.