

LEM

Decision No. 20009 -

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SAN GORGONIO POWER COMPANY,)
a corporation, for an order author-) Application No. 14846
izing the issue of bonds.)

Warren Lee Pierson, for applicant.

BY THE COMMISSION:

ORDER

ORIGINAL

The Railroad Commission has been asked to make an order authorizing San Gorgonio Power Company to issue and sell, at not less than 93 percent of face value, \$17,000.00 of its general and refunding mortgage six and one half percent bonds, Series "A" of 1930.

San Gorgonio Power Company is the owner of two hydro-electric generating plants, together with canals, transmission lines, dams, machinery and equipment and other properties, located in Riverside and San Bernardino Counties. Heretofore, pursuant to authority granted by the Commission, it has issued and sold, to finance in part the cost of its properties, \$400,000.00 of first mortgage seven percent serial bonds and \$83,000.00 of general and refunding six and one half percent bonds due August 1, 1930.

The company now reports, in this application, that since the dates of issue of its bonds it has paid and retired \$19,000.00 of the first mortgage bonds, leaving \$381,000.00 outstanding at this time. It appears that in retiring its bonds, applicant issued its

short term notes which it now seeks permission to pay, in part, with proceeds from the sale of the additional \$17,000.00 of bonds covered by this application. It proposes, however, to use approximately \$5,000.00 of the bond proceeds to pay the cost of certain improvements, including the raising of the concrete side walls of its canals about six to eight inches for a distance of about five thousand feet.

The Commission is of the opinion that this is not a matter in which a public hearing is necessary, but that said \$17,000.00 of bonds should be sold for not less than 97 percent of their face value and accrued interest, and that the money, property or labor to be procured or paid for through the proposed issue of bonds is reasonably required for the purposes specified herein, which purposes are not in whole or in part reasonably chargeable to operating expense or to income, therefore,

IT IS HEREBY ORDERED that San Geronio Power Company be, and it hereby is, authorized to issue and sell, on or before September 30, 1928 at not less than 97 percent of face value plus accrued interest, \$17,000.00 of its general and refunding mortgage bonds and to use the proceeds to pay in part its outstanding indebtedness and to make the improvements to its properties.

IT IS HEREBY FURTHER ORDERED that San Geronio Power Company shall keep such record of the issue and sale 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 insofar as applicable, is made a part of this order.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall become effective when applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is \$25.00.

DATED at San Francisco, California, this 9th day of July, 1928.

Leon W. Lundy

C. J. Seaman

Ernest Cady

John H. Smith

M. J. Carr

Commissioners.

