

Decision No. 24814**ORIGINAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 THE CALIFORNIA OREGON POWER COMPANY
 for an order of the Railroad Commission
 authorizing:

(a) the execution of a refunding mortgage covering all of its presently owned and hereafter acquired properties;

(b) the issue and sale of \$4,000,000. refunding mortgage gold bonds, 6-1/2%, Series due 1942, and of \$4,000,000 refunding mortgage gold bonds, 6%, Series due 1962, for conversion;

(c) the issue and sale of \$5,000,000 five and one-half percent gold debentures, Series A;

(d) and other purposes as stated in the original and supplemental applications herein.

Application No. 17692

BY THE COMMISSION:

THIRD SUPPLEMENTAL ORDER

The Commission by its order in Decision No. 24781, dated May 23, 1932, authorized The California Oregon Power Company, after the effective date of said order and prior to July 1, 1932, to issue, sell and deliver, at not less than 87 percent of their face value and accrued interest, its refunding mortgage gold bonds, 6-1/2% Series due 1942, in the principal amount of \$4,000,000.00. It further authorized the company to issue, sell and deliver to the trustee under its refunding mortgage, its refunding mortgage gold bonds, 6% Series due 1962, in such an amount as may be required for the conversion of the said 6-1/2% Series due 1942 bonds into said 6% Series due 1962 bonds on a par for par basis.

The Commission denied applicant's request to convert the said 6-1/2% bonds into 6% bonds on a par for par basis plus \$50.00 in

cash for every \$1,000.00 bond the holder thereof desires to convert.

The company has asked the Commission to modify its order so as to permit it to deliver to the holder of a \$1,000.00 6-1/2% Series due 1942 bond, a \$1,000.00 6% Series due 1962 bond plus \$50.00 in cash. The Standard Gas and Electric Company, owner of all of applicant's outstanding common stock, has offered to enter into an agreement with applicant to provide applicant with funds sufficient to meet the amount of said premium of \$50.00 per \$1,000.00 principal amount of refunding mortgage gold bonds so exchanged when, as and if the same becomes necessary, by purchase of additional shares of applicant's common stock, at the reasonable value thereof. at the time of such request for funds, to the amount necessary to meet applicant's requirements in this respect.

We have considered the request of applicant and believe that such request should be granted, as herein provided, therefore,

IT IS HEREBY ORDERED, that paragraph one of the order in Decision No. 24781, dated May 23, 1932, be, and the same is hereby, amended so as to read:

The California Oregon Power Company, after the effective date hereof and prior to July 1, 1932, may issue, sell and deliver, at not less than 87 percent of their face value and accrued interest, its refunding mortgage gold bonds, 6-1/2% Series due 1942, in the principal amount of \$4,000,000.00, and may, for the purpose of converting said bonds, issue and deliver to the trustee under its refunding mortgage, its refunding mortgage gold bonds, 6% Series due 1962, in such amount as may be required for the conversion of the said 6-1/2% Series due 1942 bonds into said 6% Series due 1962 bonds on a par for par basis, plus the payment of \$50.00 in cash for every \$1,000.00 6-1/2% Series due 1942 bond the holder thereof desires to convert into a 6% Series due 1962 bond, and issue, sell and deliver temporary certificates for said bonds to be exchanged for said bonds when issued; provided, that Standard Gas and Electric Company file with this Commission, in satisfactory form, an agreement under the terms of which it agrees for itself, its

successors and assigns to purchase a sufficient amount of applicant's common stock to provide said applicant with the cash necessary to carry out the conversion of the aforesaid bonds.

IT IS HEREBY FURTHER ORDERED, that the order in Decision No. 24761, dated May 23, 1932, shall remain in full force and effect, except as modified by this Third Supplemental Order.

DATED at San Francisco, California, this 25th day of May, 1932.

C. S. Seavey
Leon Whiteley

M. B. Harris

Commissioners.