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Decision No. 10608

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
COAST VALLEYS GAS AND ELECTRIC COMPANY,  
a corporation, for an order authorizing  
the issue of bonds of the face  
value of \$125,000.00.

Application Number 5094

In the Matter of the Application of  
COAST VALLEYS GAS AND ELECTRIC COMPANY,  
a corporation, for an order authorizing  
the issue of bonds of the face value of  
\$375,000.00.

Application Number 6204

ORIGINAL

BY THE COMMISSION:

SECOND SUPPLEMENTAL ORDER

The Railroad Commission by Decision Number 6915 dated November 9, 1919, as amended, in Application Number 5094 and by Decision Number 8409, dated November 30, 1920, as amended, in Application Number 6204, authorized Coast Valleys Gas and Electric Company to issue, in the aggregate, \$500,000.00 of its first mortgage forty year six percent. gold bonds due March 1, 1952, and to sell them or to pledge them as collateral to secure the payment of its ten year eight percent. collateral trust gold notes due November 1, 1930. The orders of the Commission provide that as the collateral trust notes are paid, any first mortgage bonds pledged as collateral, must be returned to applicant's treasury and not deposited again as collateral, except as authorized by the Commission; and further, that in the event of the sale of its first mortgage bonds, the proceeds may be used only for such purposes as the Commission might authorize in a supplemental order.


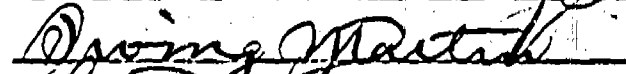
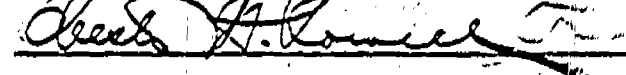

The company reports that pursuant to the authority granted by the Commission, it deposited \$360,000.00 of first mortgage bonds as security for \$240,000.00 of notes. It now states that it has sold \$400,000.00 of the bonds authorized by orders in the above entitled matter at 90 percent. of their face value plus accrued interest. It asks that the Commission make its order authorizing it to use the proceeds from the sale of these \$400,000.00 of bonds to retire the \$240,000.00 of notes at 105 and accrued interest, and to pay for plant extensions, additions and betterments.

The Commission has given consideration to applicant's request and believes that it should be granted, as herein provided.

IT IS HEREBY ORDERED that the order in Decision Number 6915, dated November 9, 1919, as amended, and the order in Decision Number 8409, dated November 30, 1920, as amended, be, and they are hereby, modified so as to permit Coast Valleys Gas and Electric Company to use the proceeds from the sale of \$240,000.00 of first mortgage bonds authorized by said decisions, as amended, to pay <sup>in part</sup> the cost of redeeming the outstanding \$240,000.00 of ten year eight percent. collateral trust notes due November 1, 1930, and to use the proceeds from \$160,000.00 of the bonds, the issue and sale of which is authorized by said decisions to reimburse its treasury and to finance such cost of plant extensions, additions and betterments as is properly chargeable to capital account under the uniform classification of accounts prescribed by this Commission.

IT IS HEREBY FURTHER ORDERED that the order in Decision Number 6915, dated November 9, 1919, as amended, and the order in Decision Number 8409, dated November 30, 1920, as amended, shall remain in full force and effect except as modified by this Second Supplemental Order.

DATED at San Francisco, California, this 22d day of June, 1922.

  
  
  
  
Commissioners