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Decision No. 10926.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA

* * *

In the Matter of the Application of
WESTERN STATES GAS AND ELECTRIC COMPANY,
a corporation, for an order authorizing
the issue of first and refunding mort-
gage 5 per cent. bonds of the par value
of \$195,000.00 and 10-year 6 per cent.
notes of the par value of \$836,000.00.

Application No. 7604

BY THE COMMISSION:

THIRD SUPPLEMENTAL ORDER

Applicant on August 22nd filed in the above entitled matter a supplemental petition wherein it asks permission to sell at not less than 86-1/2 per cent. of their face value and accrued interest \$115,500.00 of first and refunding mortgage (now first mortgage) 5 per cent. bonds due June 1, 1941, and use the proceeds to finance construction expenditures.

The Commission by Decision No. 10162, dated March 7, 1922, authorized applicant to issue \$195,000.00 of its first and refunding mortgage bonds subject, among others, to the condition that none of the bonds be sold or otherwise disposed of except as authorized by the Commission in a supplemental order or orders. On June 29, 1922, the Commission by Decision No. 10642 authorized applicant to sell \$79,500.00 of the bonds at not less than 87-1/2 per cent. of their face value and accrued interest. Applicant now asks permission to sell the remaining \$115,500.00 of bonds at not less than 86-1/2 per cent. of their face value and accrued interest. We believe that the minimum price suggested by applicant is too low and

the order herein will fix the minimum price at 87-1/2 and accrued interest.


Applicant in its Exhibit "C" reports its uncapitalized construction expenditures to July 31, 1922, at \$99,313.23. Applicant asks permission to finance, through the sale of its bonds, these expenditures, together with other expenditures incurred during August.

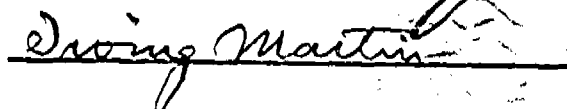
The Commission has considered applicant's requests and believes that they should be granted as herein provided; therefore,

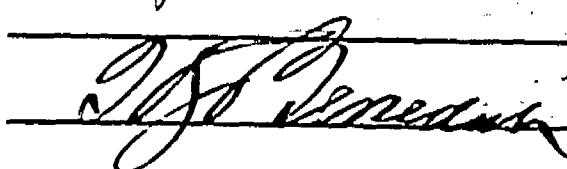
IT IS HEREBY ORDERED, that the order in Decision No. 10162, dated March 7, 1922, as amended, be and it is hereby, further modified so as to permit WESTERN STATES GAS AND ELECTRIC COMPANY to sell \$115,500.00 of the first and refunding mortgage (now first mortgage) 5 per cent. bonds, the issue of which is authorized by said decision, at not less than 87-1/2 per cent. of their face value plus accrued interest, for the purpose of financing such part of the construction expenditures, referred to in applicant's third supplemental petition filed in the above entitled matter, as are properly chargeable to capital account under the uniform system of accounts prescribed by the Railroad Commission for gas and electric companies.

IT IS HEREBY FURTHER ORDERED, that the order in Decision No. 10162, dated March 7, 1922, as amended, shall remain in full force and effect, except as modified by this Third Supplemental Order.

DATED at San Francisco, California, this 31st day August, 1922.







Commissioners.