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Decision No. 10996

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA

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ORIGINAL

In the Matter of the Application of)
SAN JOAQUIN LIGHT AND POWER CORPORATION)
for an order authorizing the issue and)
deposit of certain of its bonds and the)
use of the proceeds from the sale of)
certain other bonds.)

Application No. 8232

Murray Bourne, for Applicant.

BENEDICT, Commissioner.

O P I N I O N

In this application, SAN JOAQUIN LIGHT AND POWER CORPORATION asks permission to issue and pledge, with the trustee under its unifying and refunding mortgage, \$57,000.00 of its first and refunding mortgage bonds, and to issue and sell a like amount of unifying and refunding mortgage bonds for the purpose of retiring underlying bonds.

The record shows that the company proposes, at this time, to retire \$57,000.00 of outstanding bonds, consisting of \$10,000.00 of San Joaquin Power Company's first mortgage five per cent. bonds, due 1942, \$30,000.00 of Power Transit and Light Company's first mortgage five per cent. bonds due 1935, and \$17,000.00 of Bakersfield and Kern Electric Railway Company first mortgage five per cent. bonds due 1931. Of these amounts, the application shows that petitioner holds in its treasury \$2,000.00 of San Joaquin Power Company's bonds, \$22,000.00 of Power Transit and Light Company's bonds and \$16,000.00 of Bakersfield and Kern Electric Railway bonds.

W.E. Durfey, applicant's assistant secretary, testified that the company, if possible, intends to exchange unifying and refunding bonds for underlying bonds, and that any unifying and refunding bonds not

so exchanged will be sold at 95-1/2, and the proceeds used to finance the cost of paying such underlying bonds. In his opinion the proposed transaction will be of benefit to the company by reducing the amount of underlying liens and should be reflected in future sales of unifying and refunding bonds.

Applicant's unifying and refunding mortgage provides that uncertified first and refunding bonds of applicant shall from time to time be certified by the trustee under the first and refunding mortgage and deposited with the trustee under the unifying and refunding mortgage. Applicant now asks permission to pledge the \$57,000.00 of first and refunding bonds.

I herewith submit the following form of Order:

O R D E R

SAN JOAQUIN LIGHT AND POWER CORPORATION having applied to the Railroad Commission for permission to issue bonds, a public hearing having been held, and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for by such issue is reasonably required for the purpose or purposes specified herein, and that the expenditures for such purpose or purposes are not in whole or in part reasonably chargeable to operating expenses or to income;

IT IS HEREBY ORDERED, that SAN JOAQUIN LIGHT AND POWER CORPORATION be, and it is hereby, authorized to issue \$57,000.00 of its first and refunding bonds and to pledge them with the trustee under its unifying and refunding mortgage as security, in part, for bonds issued under said unifying and refunding mortgage.

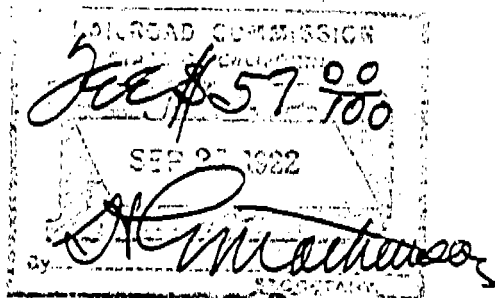
IT IS HEREBY FURTHER ORDERED, that SAN JOAQUIN LIGHT AND POWER CORPORATION be, and it is hereby, authorized to issue \$57,000.00 of its Series "B" unifying and refunding mortgage bonds.

The authority herein granted is subject to the following conditions:

- (1).-- The unifying and refunding mortgage bonds herein authorized may be exchanged for the underlying bonds referred to in the foregoing opinion, or may be sold, at not less than 95-1/2 per cent. of face value plus accrued interest, and the proceeds used to finance the cost of purchasing and paying for such underlying bonds.
- (2).-- Applicant shall keep such record of the issue, sale, pledge or exchange 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 in so far as applicable, is made a part of this order.
- (3).-- The authority herein granted will not become effective until applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is \$57.00.
- (4).-- The authority herein granted shall apply only to such bonds as may be issued, sold, pledged or exchanged on or before December 31, 1922.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 18th day of September, 1922.



H. K. Burdick
Wm. Martin
J. P. Benedict

Commissioners.