Decision No. 11/60

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BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of) SOUTHERN COUNTIES GAS COMPANY OF ) CALLFORNIA for authority to issue ) additional first mortgage bonds in ) the amount of \$1,498,416.00 and to ) sell the same.

Supplemental Application No. 3 under Application No. 7531

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LeRoy M. Edwards for Applicant.

BENEDICT, Commissioner.

## THIRD SUPPLEMENTAL ORDER.

WHEREAS, the Railroad Commission by Decision No. 10101, dated February 17, 1922, authorized SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA to issue \$1,498.416.00 face value of first mortgage 5-1/2 per cent. bonds due May 1, 1936, subject to the condition, among others, that \$1,132,416.00 of such bonds be not sold or otherwise disposed of by applicant, except as authorized by the Commission; and

WHEREAS, the Commission by former orders in this proceeding has authorized the sale of \$690,000.00 of said \$1,132,416.00 of bonds; and

WHEREAS, applicant reports in its third supplemental application in this proceeding and in exhibits filed in connection therewith that it has expended on or before September 30, 1922, for extensions, additions and betterments to its plants and properties the sum of \$483,134.31, none of which has been financed through the sale of bonds; and

WHEREAS, applicant requests permission to sell at not less than ninety-two per cent. of their par value and accrued interest \$386,000.00 of said \$1,132,416.00 of bonds for the purpose of reim-

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bursing, in part, its treasury on account of said expenditures; and

A public hearing having been held and it appearing that the money, property or labor to be procured or paid for by such sale is reasonably required for the purposes specified herein, and that the expenditures for such purposes are not in whole or in part reasonably chargeable to operating expenses or to income;

IT IS HEREBY ORDERED, that SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA be, and it is hereby, authorized to sell, at not less than ninety-two per cent. of their face value plus accrued interest, \$386,000.00 of the first mortgage 5-1/2 per cent. bonds which the Commission authorized to be issued by Decision No. 10101, dated February 17, 1922, and to use the proceeds to finance in part the cost of extensions, additions and betterments installed on or before September 30, 1922 and referred to in this order and in the third supplemental application filed in the above entitled matter, and through such financing pay current indebtedness.

IT IS HEREBY FURTHER ORDERED, that the order in Decision No. 10101, dated February 17, 1922, as amended, shall remain in full force and effect, except as modified by this Third Supplemental Order.

The foregoing Third Supplemental Order is hereby approved and ordered filed as the Third Supplemental Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this  $\frac{24^{1/4}}{24}$  day of October, 1922.

Commissioners.

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