Decision No. 1246

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

Decision No. 1246

In the matter of the application of Sacramento Natural Gas Company, a corporation, for an order authorizing the issue of bonds as collateral.

Application No. 960.

LOVELAND, Commissioner:

O R D E R

This Commission having, in its order made on April 24, 1913, in Application No. 445, being the application of Sacramento Natural Gas Company for permission to issue bonds of the par value of $200,000.00, authorized applicant to sell its First Mortgage, Thirty Year Six Per Cent Gold Bonds of the face value of $180,000.00, upon the conditions and for the purposes therein specified; and applicant having filed with this Commission application for authority to issue these bonds as collateral security for promissory notes of the aggregate face value of $100,000.00, the proceeds derived therefrom to be used for the purposes hereinafter specified; and the Commission being of the opinion that a hearing upon this application is not necessary and that the application should be granted;

IT IS HEREBY ORDERED that Sacramento Natural Gas Company be, and it hereby is authorized to issue and pledge as collateral $200,000.00 of its First Mortgage Thirty Year Six Per Cent Gold Bonds of the aggregate face value of $200,000.00, upon conditions hereinafter named and not otherwise.

IT IS FURTHER ORDERED that applicant be authorized to issue promissory notes of the face value of $100,000.00 at a rate of interest not to exceed six per cent and for a period of not to exceed one year, said notes to be issued so as to net applicant not less than ninety-five per cent thereof, and the proceeds derived therefrom to be used for the following purposes:

Promissory note to J. N. Jonsen.	$25,000.00
Promissory note to Irving National Bank of New York City.	25,000.00
Promissory note to First National Bank of Boston, Massachusetts.	25,000.00
Promissory note to California National Bank of Sacramento, California.	19,500.00
Reimbursement of treasury for moneys actually expended from income during the past five years for construction, extension and improvement of plant.	500.00
	$95,000.00

(1) Said bonds shall be pledged for promissory notes the face value of which shall not be less than fifty per cent of the face value of the bonds.

(2) Applicant may reissue as collateral the bonds herein authorized from time to time as the notes herein authorized to be issued fall due. The applicant may issue new notes in lieu of those falling due upon the condition that the time of the original note and the time of the renewals shall not aggregate more than one year.

(3) Sacramento Natural Gas Company shall keep separate, true and accurate accounts showing the number of the bonds issued in accordance with this order, the notes for which such bonds are issued as collateral, and the application of the money obtained from the notes, and on or before the twenty-fifth day of each month shall make a verified report to the Commission in accordance with this Commission's General Order No. 24, which, in so far as applicable, is made a part of this order.

(4) The authority hereby granted applicant to issue bonds, shall apply only to February 1, 1915.

The foregoing opinion and order is hereby approved and ordered filed as the opinion and order of the Railroad Commission.

Dated this 31st day of January 1914 at San Francisco, California.

Railroad Commission State of California
FEE $100.00
FEB 5 1914
By H. G. Mathewson
Assistant Secretary.

Max Thelen
H. D. Loveland
Edwin O. Edgerton

Commissioners.

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