

Decision No. ✓

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

Decision No. 2/10

In the matter of the applica-)
tion of SACRAMENTO NATURAL GAS)
COMPANY, a corporation, for an)
order authorizing the issue of bonds)
as collateral.)

Application 960

BY THE COMMISSION

SUPPLEMENTAL ORDER

This Commission in its Decision Number 1246, dated January 31, 1914, having authorized Sacramento Natural Gas Company to issue its one year six per cent notes to the face value of \$100,000.00, so as to net applicant not less than 95 per cent of the face value thereof, and to pledge as collateral, to secure the payment of said notes, its first mortgage thirty year six per cent gold bonds to the face value of \$200,000.00.

And Sacramento Gas Company, formerly Sacramento Natural Gas Company, on January 20, 1915, having filed an application with this Commission for an order extending the authority contained in the above-mentioned decision.

And Sacramento Gas Company having alleged that it has been unable to sell any of its bonds authorized by Decision #601, dated April 24, 1913, which decision applied only to such bonds as might be issued and sold on or before November 1, 1913, and that its financial condition remains unchanged.

It is hereby ordered that the authority heretofore granted by this Commission to Sacramento Natural Gas Company (Decision Number 1246) to issue \$100,000.00 of its one year six

per cent notes and to pledge as collateral security therefor, \$200,000.00 of its first mortgage thirty year six per cent gold bonds, be extended and it is hereby extended to include such notes as may be issued, and such bonds as may be pledged on or before December 31, 1915.

The authority herein granted is granted upon the following conditions and not otherwise:

- (1)-The bonds herein authorized to be issued shall be pledged as collateral security as herein specified and after such use shall be returned to applicant's treasury, and sold thereafter only upon the further order of this Commission.
- (2)-The bonds pledged as collateral to secure the payment of the notes issued or to be issued shall be deposited with a bank or trust company, which under the laws of the State of California may act in the capacity of trustee.
- (3)-The authority granted herein shall not become effective until this Commission by a supplemental order shall have approved the agreement under which the bonds are to be held, in escrow, for the benefit of the note holders.
- (4)-The new promissory notes of the face value of \$100,000.00 issued in renewal of the notes heretofore authorized, shall be issued under such terms and conditions as were prescribed in this Commission's decision Number 1246, dated January 31, 1914, not in conflict with this order.

(5)-The applicant shall report to this Commission on the 25th day of each month stating the note or notes issued for the months preceding, the bonds pledged therefor, the amounts received, the rate of interest and the maturity of such notes, and the note or notes cancelled by such issue.

Dated at San Francisco, California, this 27th day of January, 1915.

Max Shulen
A. H. Ireland

Edwin O. Edgerton
Stan R. Dehn
Commissioners.