

Decision No. ✓BEFORE THE RAILROAD COMMISSION
OF THE STATE OF CALIFORNIA.

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ORIGINAL

In the Matter of the Application of
SAN DIEGO CONSOLIDATED GAS & ELECTRIC
COMPANY for an order authorizing the
issue of debenture bonds of the face
value of \$500,000.

Application No. 1354.

THELEN, Commissioner.

SUPPLEMENTAL OPINION.

In the above entitled proceeding the Railroad Commission on November 13, 1914, authorized San Diego Consolidated Gas and Electric Company to issue \$250,000 face value of the Company's 6% debenture bonds and to sell the same so as to net the Company not less than 93% of the face value thereof, provided the Company should not issue its bonds unless prior thereto, or concurrently with such issue, the Company should issue its common capital stock at par in the sum of \$240,000. The proceeds from the issue of said debenture bonds and common stock were directed to be applied for the purpose of discharging and refunding certain obligations of the Company which were set forth in the order.

San Diego Consolidated Gas and Electric Company now reports that it has issued said bonds, receiving therefor the amount specified in the Railroad Commission's order, and that it has sold \$240,000 par value of its common capital stock at a premium of \$24,000.

San Diego Consolidated Gas and Electric Company reports that it has expended subsequent to November 1, 1914, the sum of \$24,421.99 out of earnings for new construction as is shown by Exhibit "A" attached to the supplemental petition herein. The

Company now asks authority to re-imburse its treasury to the extent of said premium of \$24,000 on its common capital stock for said construction expenditures incurred subsequent to November 1, 1914.

I recommend that the application be granted and submit herewith the following form of supplemental order:

SUPPLEMENTAL ORDER.

SAN DIEGO CONSOLIDATED GAS and ELECTRIC COMPANY having reported to the Railroad Commission that it has sold at a premium of \$24,000 the \$240,000 par value of capital stock which the Company was authorized to issue by Decision No. 1939 rendered on November 13, 1914, in the above entitled proceeding, and having asked authority to re-imburse its treasury to the extent of said premium for the purposes hereinafter indicated, and the Railroad Commission finding that the purposes for which it is desired to utilize said premium on said common stock are not reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that San Diego Consolidated Gas and Electric Company be and the same is hereby authorized to re-imburse its treasury out of the premium of \$24,000 derived by the Company from the sale of the common capital stock of the par value of \$240,000 authorized to be issued by this Commission's Decision No. 1939 rendered on November 13, 1914, in the above entitled proceeding, for capital expenditures made from earnings subsequent to November 1, 1914, as follows:

(a)	Installing 2 - New Babcock and Wilcox, Patent Safety Tube Boilers, Vertical Steel Header Type 600 H.P. Capacity each. Total Cost	\$43,213.56	
	Expended prior to November 1, 1914	<u>40,005.83</u>	
	Expended since November 1, 1914		\$ 3,207.73
(b)	Installing 1 - General Electric Com- pany, Type A.T.B. 4 poles - 4000 KW- 1800 R.P.M. Generator with Curtis Steam Turbine, Switchboard and Ac- cessories. Total Cost	\$94,464.89	
	Expended prior to November 1, 1914	<u>86,763.17</u>	
	Expended since November 1, 1914		7,701.72
(c)	Installing 3 - General Electric Com- pany A.B. 60-1000 K.V.A. Transformers 2 - 8000 Cu.Ft. Blower Set. Total Cost	\$13,760.43	
	Expended prior to November 1, 1914	<u>247.89</u>	
	Expended since November 1, 1914		<u>13,512.54</u>
	Total		\$24,421.99

San Diego Consolidated Gas and Electric Company shall within ten days after the application of said funds report to the Railroad Commission the fact of such application.

The foregoing supplemental opinion and order are hereby approved and ordered filed as the supplemental opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 25th day of June, 1915.

Max Thelen

Edwin C. Egan

Frank R. Lester

Commissioners.