

Decision No. _____

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Reorganization)
 of the UNITED LIGHT AND POWER COMPANY)
 and subsidiary companies.)

Application No. 1542

Decision No. 2579

BY THE COMMISSION.

THIRD SUPPLEMENTAL OPINION

On July 8, 1915, this Commission issued an Order, (Decision No. 2579) in the above entitled matter, amending Decision Number 2359, dated May 10, 1915; and Decision Number 2403, dated May 20, 1915. The order of July 8, 1915 authorized Consolidated Electric Company to issue and deliver \$2,024,500. face value of bonds to Mr. E. W. Wilson as payment for the properties of United Light and Power Company (of New Jersey), United Light and Power Company (of California), Central Oakland Light and Power Company, Consumers Light and Power Company, Equitable Light and Power Company, and Southside Light and Power Company. In its order, this Commission identified the property to be acquired by Consolidated Electric Company, from Mr. E. W. Wilson by referring to Exhibit No. 12, attached to the original application.

to
and a report of Francis E. Wilkinson filed in connection with
this proceeding.

In as much as Exhibit No. 12 and the report of Mr. Francis E. Wilkinson refer only to the physical properties, applicants request that the Order of July 8, 1915 be amended so as to be in accordance with the provisions of an agreement, (Marked Exhibit "A", attached to Second Amended Application) made between Mr. E. W. Wilson and Great Western Power Company, dated June 3, 1915. The terms of the agreement cover the intangible as well as the physical properties of the United Light and Power Company and its subsidiaries.

This Commission's Order dated July 8, 1915, (Decision No. 2579) also authorized Consolidated Electric Company to execute a mortgage and deed of trust to secure the payment of \$2,500,000. face value of forty year five per cent bonds, provided that the said mortgage and deed of trust be amended in certain particulars.

Consolidated Electric Company, on July 12, 1915 filed two amendments. One of the amendments obligates the company to pay annually, to the trustee for the purpose of a sinking fund an amount equal to one per cent of the bonds outstanding. The first payment is to be made on June 1, 1920. The sinking fund payments together with any accretions, shall be used to purchase and redeem bonds secured by the mortgage and deed of trust of Consolidated Electric Company at a price not exceeding the par value of the principal of each bond plus accrued interest.

The other amendment relates to the power of the bondholders to amend the mortgage and deed of trust.

It provides that at a meeting of the bondholders called for the purpose of modifying the mortgage and deed of trust a quorum shall consist of the holders of fifty per cent of the bonds outstanding and that every question submitted to such meeting of the bondholders shall be decided by the vote of bondholders representing three-quarters of the principal amount of the bonds represented at such meeting.

Section Two of Article Ten referring to the notice to be given reads:-

"Sixty days' notice at least to the bondholders specifying the place, day and hour of meeting shall be given previously to any such meeting. Such notice shall be given by publishing the same at least once a week for four weeks in a newspaper of general circulation published in the City and County of San Francisco, State of California.

"Such notice shall state particulars with respect to the nature of the business to be transacted at the meeting thereby to be convened, as the TRUSTEE or the Company convening the meeting may deem sufficient. In the event such meeting be convened by the Company, at least sixty days' notice of the meeting shall be given by the Company to the TRUSTEE, any bondholder may at any time leave with the TRUSTEE his name and address, and thereafter a copy of any notice provided hereby to be given to the bond holders shall be mailed by the TRUSTEE to such bondholder at such address at least thirty days' before such meeting, whether or not such bondholder may then continue to be the owner of any bonds."

The approval of the proposed mortgage and deed of trust is given upon the expressed condition that no amendment thereto shall become effective until the same has been submitted to and received the approval of this Commission.

Accordingly we submit the following form of Order:

THIRD SUPPLEMENTAL ORDER

WHEREAS this Commission on May 10, 1915, having issued its Order (Decision No. 2359) in the above entitled matter; and whereas this Commission on May 20, 1915, having issued its First Supplemental Order (Decision No. 2403) in the above entitled

matter; and whereas this Commission on July 8, 1915 having issued its Second Supplemental Order (Decision No. 2579) in the above entitled matter; and whereas applicants now having requested certain modifications and having complied with certain conditions;

IT IS HEREBY ORDERED, that the first subdivision of paragraph three of the Second Supplemental Order reading:

"\$2,024,500 of said bonds to be issued to E. W. Wilson in payment for the properties to be conveyed by E. W. Wilson to Consolidated Electric Company, consisting of the properties of United Light and Power Company (of New Jersey), United Light and Power Company (of California), Consumers Light and Power Company, Equitable Light and Power Company, South Side Light and Power Company, Central Oakland Light and Power Company, in accordance with a list of the assets of said companies on file with this Commission in this proceeding in Exhibit No. 12, and more particularly as listed in this proceeding with this Commission in the report of Francis E. Wilkinson, on file with this Commission;"

be amended so as to read:-

"\$2,024,500 of said bonds to be issued to E. W. Wilson in payment for the properties to be conveyed by E. W. Wilson to Consolidated Electric Company, consisting of the properties of United Light and Power Company (of New Jersey), United Light and Power Company (of California), Consumers Light and Power Company, Equitable Light and Power Company, South Side Light and Power Company, Central Oakland Light and Power Company, in accordance with an agreement marked Exhibit "A" attached to "2d Amended Application" between Mr. E. W. Wilson and Great Western Power Company, dated June 3, 1915."

IT IS HEREBY FURTHER ORDERED that Consolidated Electric Company be granted authority and it is hereby granted authority to execute a mortgage and deed of trust substantially of the same tenor

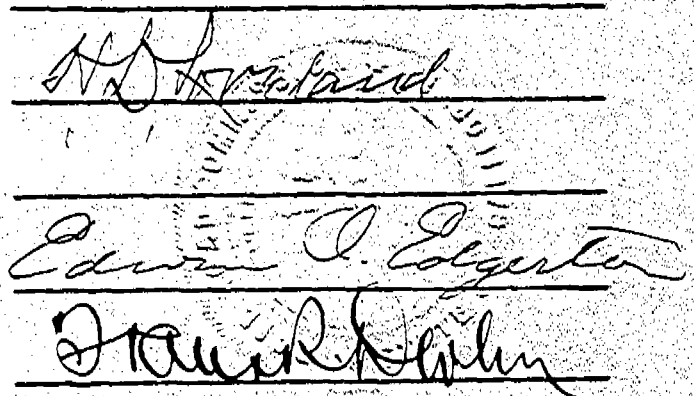
and substance as the mortgage and deed of trust marked Exhibit "C", attached to the 2nd. Amended Application.

IT IS HEREBY FURTHER ORDERED that no amendments or modifications to said mortgage and deed of trust shall become effective until approved by this Commission or other governmental body of competent jurisdiction.

IT IS HEREBY FURTHER ORDERED that the Orders of this Commission heretofore issued in the above entitled matter shall remain in full force and effect except as to such parts of said Orders as may be in conflict with this Third Supplemental Order.

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

Dated at San Francisco, California, this 13th day of July, 1915.

The seal of the Railroad Commission of the State of California is visible in the background of the signatures. It features a circular design with the text "RAILROAD COMMISSION OF THE STATE OF CALIFORNIA" around the perimeter and a central emblem.

W. D. McFarland
Edwin C. Edgerton
Frank R. Wiley

Commissioners.