

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

Decision No. 3111

In the Matter of the Application of
CENTRAL CALIFORNIA GAS COMPANY for
an order authorizing the issue of
bonds of the face value of \$19,000;
preferred stock of the par value of
\$67,000; and common stock of the
par value of \$21,500.

ORIGINAL

Application No. 2337.

BY THE COMMISSION.

SECOND SUPPLEMENTAL ORDER

WHEREAS this Commission in Decision Number 3495, rendered July 8, 1916, authorized the applicant herein to issue \$10,000.00 par value of its six per cent cumulative preferred stock at not less than \$90.00 per share, and \$20,000.00 par value of its common capital stock at not less than \$100.00 per share for the purpose of paying certain specified notes and accounts payable; and

WHEREAS this Commission in a first supplemental order, dated August 7, 1916, Decision Number 3555, authorized the applicant herein to issue \$29,500.00 par value of its six per cent cumulative preferred stock at not less than \$90.00 per share, and \$20,000.00 par value of its common capital stock at not less than \$100.00 per share for the purpose of constructing certain specified additions and betterments; and

WHEREAS applicant now represents to this Commission that it has been unable to sell any of the above stock; and

WHEREAS applicant has further represented to this Commission that it has amended its articles of incorporation to provide for the issue of \$100,000.00 par value of 7 per cent prior preferred stock and has requested authority--

- 1.--To issue and sell \$12,000.00 par value of 7 per cent prior preferred stock at par and to use the proceeds in acquiring \$12,000.00 face value of bonds for sinking fund purposes;
- 2.--To issue and sell at par 290 shares of 7 per cent prior preferred stock in lieu of the 100 shares of 6 per cent cumulative preferred stock and 200 shares of common stock authorized by this Commission in Decision Number 3495, dated July 8, 1916;
- 3.--To issue and sell 465 shares of 7 per cent prior preferred stock in lieu of 295 shares of 6 per cent cumulative preferred stock and 200 shares of common stock authorized by the Commission in Decision Number 3555 dated August 7, 1916;

And it appearing to this Commission that applicant's request is reasonable and should be granted and that the purposes for which it is proposed to issue said stock are not reasonably chargeable in whole or in part to operating expenses or to income;

IT IS HEREBY ORDERED that Central California Gas Company be and it is hereby authorized to issue and sell, at a price to net applicant not less than the par value thereof, \$12,000.00 par value of 7 per cent prior preferred stock and to use the proceeds thereof in acquiring \$12,000.00 face value of its First Mortgage 6% Sinking Fund Gold Bonds, said bonds to be delivered to Los Angeles Trust and Savings Bank, Trustee, to meet sinking fund obligations due April 1, 1915 and April 1, 1916.

IT IS HEREBY FURTHER ORDERED that Central California Gas Company be and it is hereby authorized to issue and sell at a price to net applicant not less than the par value thereof, 290 shares of its 7 per cent prior preferred stock and to use the proceeds for the payment of the notes and accounts payable owing by said company on May 31, 1916, and contained in a list submitted in connection with the original application herein and marked Exhibit "A", to which Exhibit reference is hereby made.

The authority herein granted to issue said 290 shares of 7 per cent prior preferred stock is in lieu of the authority heretofore granted applicant by this Commission on July 8, 1916 to issue 100 shares of 6 per cent cumulative preferred stock and 200 shares of common stock.

IT IS HEREBY FURTHER ORDERED that Central California Gas Company be and it is hereby authorized to issue at a price to net applicant not less than the par value thereof, 465 shares of 7 per cent prior preferred stock and to use the proceeds to pay for the bona fide cost of the proposed additions and betterments listed in Supplemental Exhibit "A" attached to First Supplemental Application herein.

The authority herein granted to issue said 465 shares of 7 per cent prior preferred stock is in lieu of the authority heretofore granted applicant by this Commission on August 7, 1916 to issue 295 shares of 6 per cent cumulative preferred stock and 200 shares of common stock.

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

(1) Central California Gas Company shall keep separate, true and accurate accounts showing the receipt and application in detail of the proceeds of the sale of the stock hereby author-

ized to be issued; and on or before the twenty-fifth day of each month the company shall make verified reports to the Commission stating the sale or sales of said stock during the preceding month, the terms and conditions of the sale, the moneys realized therefrom, and the use and application of such moneys, all in accordance with this Commission's General Order No. 24, which order, in so far as applicable, is made a part of this order.

(2) The authority herein granted shall apply to such stock as shall have been issued on or before December 31, 1916.

Dated at San Francisco, California, this 16th day of October, 1916.

Max Thelen
W. B. Howard
W. L. Gordon

Frank R. DeLoe

Commissioners.