

ORIGINAL

Decision No 2118

Decision No. _____.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application	}	Application No. 2740.
of CITY RAILWAY COMPANY OF LOS		
ANGELES, a corporation, for an order		
authorizing the issue of bonds.		
.....		

S. M. Haskins, for applicant.

EDGERTON, Commissioner,

OPINION.

In this application the City Railway Company of Los Angeles asks the Railroad Commission to authorize it to issue 303 of its bonds of a total par value of \$303,000. and to deliver them at par to the Los Angeles Railway Corporation in payment of moneys advanced to applicant by the Los Angeles Railway Corporation which have been invested in the plant of the applicant. The relation of the applicant to the Los Angeles Railway Corporation and the financing of the two companies is fully set forth in Decision 2193, dated March 3, 1915, (Volume 6, Opinions and Orders of the Railroad Commission of California, Page 272) and is briefly reviewed in Decision 3098, covering Application 1977 (Volume 9, Opinions and Orders of the Railroad Commission of California, Page 194) and it will, therefore, be unnecessary to go into these matters at this time.

In the last mentioned decision the Commission authorized applicant to issue 280 of its bonds of a total par value of \$280,000., and including that issue a total of \$3,893,000. par value of bonds are outstanding at the present date out of an authorized bonded indebtedness of \$5,000,000.00.

Since the date of that last order applicant has spent some \$303,433.98, all of which, as it appears from the record made at the

hearing on this application, is properly chargeable to capital and not to maintenance. This money was obtained from the Los Angeles Railway Corporation and the issue which applicant desires authority for herein is for the purpose of making a payment on account of this indebtedness.

There appears to be no reason why the permission sought should be withheld and I shall, therefore, recommend that this application be granted by the Commission.

O R D E R

CITY RAILWAY COMPANY OF LOS ANGELES having applied to the Railroad Commission of the State of California for an order authorizing the issue by said company of \$303,000. face value of its bonds at par to Los Angeles Railway Corporation on account of an existing indebtedness now due from applicant of \$303,433.98, and a public hearing having been held upon said application and the Railroad Commission finding that the purposes for which said bonds are herein authorized to be issued are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED, That the Railroad Commission of the State of California does hereby authorize the issue at par by said City Railway Company of Los Angeles to Los Angeles Railway Corporation of \$303,000. face value of principal of its bonds, in satisfaction and discharge of \$303,000. of its present indebtedness, to said Los Angeles Railway Corporation, incurred for certain improvements, betterments and extensions constructed by it for applicant and shown in detail in the exhibits accompanying the application, upon the following conditions and not otherwise, to-wit:

1. City Railway Company of Los Angeles shall keep separate, true and accurate accounts showing the receipt and application in detail of the proceeds of the sale of the bonds hereby authorized to be issued and shall, within twenty days after the issue of any such

bonds, make verified report to the Railroad Commission, stating the moneys realized therefrom and the use and application of such moneys.

2. The authority hereby granted shall apply only to such bonds as may have been issued on or before May 15, 1917.

3. The authority herein granted shall not become effective until City Railway Company of Los Angeles has paid the fee specified in Section 57~~xxxxxxxxxx~~ of the Public Utilities Act.

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

Dated at San Francisco, California, this 20th day of February, 1917.

Max Thelen

H. D. Lovelace

"

Edwin C. Edgerton

Frank R. Decker

Commissioners.

Office of the Railroad Commission of California
Fee \$ 303⁰⁰/₁₀₀
FEB 23 1917
H. C. MacArthur
Assistant Secretary