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Decision No. _____

ORIGINAL

Decision No. 4158

BEFORE THE RAILROAD COMMISSION
OF THE
STATE OF CALIFORNIA

In the Matter of the Application)
of SOUTHERN COUNTIES GAS COMPANY)
OF CALIFORNIA for authority to) Application No. 2542
issue bonds.)

Hunsaker & Britt, and LeRoy M. Edwards,
by D. M. Hunsaker, for applicant.

BY THE COMMISSION.

FOURTH SUPPLEMENTAL ORDER

WHEREAS by Decision Number 3748, dated
October 2, 1916, this Commission authorized Southern
Counties Gas Company of California to issue \$370,000.00
face value of its First Mortgage 5½ Per Cent Twenty Year
Bonds; and

WHEREAS said Decision Number 3748 pro-
vided that \$85,000.00 of said bonds might be issued
forthwith and that the balance of \$285,000.00 of said
bonds should be issued only upon supplemental orders

from this Commission for the purpose of providing funds to pay 80 per cent of the cost of applicant's proposed improvements from August 31, 1916 to July 31, 1917; and

WHEREAS by Decision Number 3832, dated November 2, 1916, applicant was authorized to issue \$37,000.00 face value of said \$285,000.00 to pay for 80 per cent of the expenditures for improvements and acquisition of property as set forth in said Decision Number 3832; and

WHEREAS by Decision Number 3941, dated December 20, 1916, applicant was authorized to issue \$36,000.00 face value of said \$285,000.00 to pay for 80 per cent of the expenditures for improvements and acquisition of property as set forth in said Decision Number 3941; and

WHEREAS by Decision Number 4072, dated January 31, 1917, applicant was authorized to issue \$61,000.00 face value of said \$285,000.00 to pay for 80 per cent of the expenditures for improvements and acquisition of property as set forth in said Decision Number 4072; and

WHEREAS applicant has now filed with this Commission a statement of capital expenditures for the month of December 1916 of \$43,766.40; and

WHEREAS applicant has now represented to the Commission that during the months of September, October, November and December 1916, it has expended for permanent extensions, or betterments, improvements, and additions to its existing plants and properties the sum of \$211,724.38, against which it is entitled

to issue bonds under the terms of its deed of trust in the sum of \$169,379.50; and

WHEREAS bonds to the extent of \$134,000.00 have been authorized by this Commission under its Decisions Numbers 3832; 3941; and 4072, leaving a balance of \$35,379.50 against which applicant is still entitled to issue bonds under the terms of its deed of trust; and

WHEREAS applicant has now applied to this Commission for authority to issue \$35,000.00 face value of its First Mortgage 5½ Per Cent Twenty Year Bonds; and

WHEREAS applicant has satisfied the earning requirements of its deed of trust in that its net earnings for twelve months ending December 31, 1916 exceed one and one-half times the annual interest on bonds outstanding, plus the interest on bonds proposed to be issued; and

WHEREAS applicant has further represented to this Commission that it is unable to follow the construction program laid down in its Exhibit "F", filed in connection with the original application herein on October 2, 1916; and

WHEREAS applicant has requested that it be permitted to issue the balance of the bonds remaining out of the \$285,000.00 originally authorized, in accordance with a revised construction program as set forth in Exhibit "C", attached to the Fourth Supplemental Application herein;

And a hearing having been held;

And it appearing to this Commission that applicant's requests are reasonable and should be granted

and that the purposes for which it is proposed to issue said bonds are not in whole or in part reasonably chargeable to operating expenses or to income;

IT IS HEREBY ORDERED that Southern Counties Gas Company of California be and it is hereby granted authority to issue \$35,000.00 face value of its First Mortgage $5\frac{1}{2}$ Per Cent Twenty Year Bonds, said bonds being a part of the \$285,000.00 face value of bonds to which reference is made in Decision Number 3748, dated October 2, 1916.

IT IS HEREBY FURTHER ORDERED that the conditions upon which Southern Counties Gas Company of California may issue the \$116,000.00 face value of bonds remaining out of the \$285,000.00 face value of bonds authorized by Decision Number 3748 be and they are hereby changed and amended to allow Southern Counties Gas Company of California to issue said \$116,000.00 face value of bonds, for the purpose of providing funds to pay 80 per cent of the cost of its proposed improvements from January 1, 1917 to July 31, 1917 as set forth in the following schedule:

Pomona Brea Line	\$ 7,000.00
Whittier-Monrovia Line	25,000.00
Santa Ana District	
Distribution	22,000.00
Equipment	2,000.00
Whittier District	
Distribution	10,000.00
Equipment	1,000.00
Pomona District	
Distribution	50,000.00
Equipment	2,000.00
Monrovia District	
Distribution	15,000.00
Equipment	1,000.00

Carried Forward \$134,999.42

Brought Forward	\$134,999.42
Long Beach District Distribution Equipment	10,000.00
Santa Monica Bay District Distribution Equipment	5,000.00 2,000.00
General & Miscellaneous	<u>4,905.58</u>
	\$156,905.58

Said \$116,000.00 face value of bonds shall only be issued, however, upon supplemental orders from this Commission and in all other respects in accordance with this Commission's Decision Number 3748, dated October 2, 1916 and such orders as have been or may be issued supplemental thereto.

The authority herein granted to issue said \$35,000.00 face value of bonds is granted upon the following conditions and not otherwise:-

1.-The bonds herein authorized to be issued shall net applicant not less than 92½ per cent of their face value, plus accrued interest thereon.

2.-The proceeds derived from the sale of said \$35,000.00 face value of bonds shall be used to reimburse applicant for expenditures for additions and betterments; the moneys to be applied upon applicant's notes and accounts payable as listed with this Commission in Exhibits Numbers 1 and 2, filed in this proceeding on February 24, 1917.

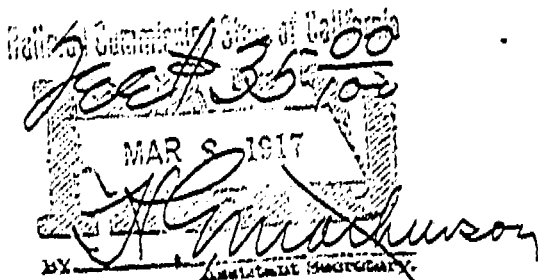
3.-Southern Counties Gas Company shall keep separate, true and accurate accounts showing the

receipt and application in detail of the proceeds of the sale of the bonds herein authorized to be issued and on or before the twenty-fifth day of each month the company shall make verified reports to the Railroad Commission stating the sale or sales of said bonds 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.

4.-The authority herein granted is conditioned upon the payment by applicant of the fee prescribed in the Public Utilities Act as amended.

5.-The bonds herein authorized to be issued shall be issued on or before June 30, 1917.

Dated at San Francisco, California, this 5th day of March, 1917.



Max Thelen
W. H. Howard
W. H. Gordon
Edwin O. Edgerston
Frank R. Hobbs
Commissioners.