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ORIGINAL

Decision No. 4377

Decision No. \_\_\_\_\_

BEFORE THE RAILROAD COMMISSION OF  
THE STATE OF CALIFORNIA.

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In the Matter of the Application of )  
NEVADA-CALIFORNIA-OREGON RAILWAY, )  
a corporation, for an order authorizing )  
the creation of a bonded indebtedness )  
of \$2,200,000.00, and for an order )  
authorizing the issue of \$1,000,000.00 )  
face value of bonds. )

Application  
No. 2814.

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BY THE COMMISSION.

FIRST SUPPLEMENTAL ORDER.

WHEREAS the order found in Decision Number 4287, dated May 2, 1917, provides that applicant in the above entitled matter shall file with the Commission for approval a copy of its proposed traffic agreement with The Western Pacific Railroad Company; and a statement showing the expenses incidental to the sale of a portion of applicant's property; and

WHEREAS said order authorizes applicant to issue \$1,000,000.00 face value of Six Per Cent Fifty Year First Mortgage Bonds and to use \$750,000.00 of said bonds to retire \$750,000.00 of outstanding bonds due May 1, 1919, and to sell \$250,000.00 of said bonds at not less than 93 per cent of the

face value thereof, plus accrued interest, provided that such sale shall be made only after this Commission shall have issued a supplemental order stating the purpose or purposes for which the proceeds from such sale are to be used; and

WHEREAS applicant has filed for approval a copy of the aforesaid traffic agreement and a statement showing the expenses incident to the sale of a portion of its property; and

WHEREAS applicant asks authority to use the proceeds from the sale of the aforesaid \$250,000.00 face value of bonds to pay the cost of constructing an office building, shop and terminal facilities at Alturas and to reimburse its treasury for moneys heretofore expended therefrom and not secured or obtained from an issue of stocks, bonds or other evidences of indebtedness; and

WHEREAS applicant reports the estimated cost of its office building, shop and terminal facilities at Alturas at \$125,000.00, and that during the five years ending December 31, 1916, it has expended for capital purposes on its line north of Hackstaff, the sum of \$301,218.37, said sum not having been obtained from the sale of stocks, bonds or other evidences of indebtedness;

And Good Cause Appearing:

IT IS HEREBY ORDERED that Nevada-California-Oregon Railway be granted, and hereby is granted, authority to use \$125,000.00 of the proceeds obtained from the sale of \$250,000.00 of its First Mortgage Six Per Cent Fifty Year Bonds to pay for the construction of an office building, shop and terminal facilities at Alturas and to use the remainder of the proceeds to reimburse in part its treasury for capital

expenditures incurred during the five years ending December 31, 1916, on its line north of Hackstaff, California.

IT IS HEREBY FURTHER ORDERED that Nevada-California-Oregon Railway be granted, and hereby is granted, authority to use \$33,350.00 obtained from the sale of a portion of its property to pay the expenses incidental to sale of said property.

IT IS HEREBY FURTHER ORDERED that Nevada-California-Oregon Railway be granted, and hereby is granted, authority to enter into a traffic agreement with The Western Pacific Railroad Company substantially in the same form as the traffic agreement filed with this Commission in this proceeding.

Dated at San Francisco, California, this 10th day of June, 1917.

Max Nelson  
H. S. Davidson  
W. G. Gordon  
Edwin O. Edgerton

Commissioners.