

ORIGINAL

Decision No. 4470

Decision No. _____

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the matter of the application of
Central California Gas Company, a
corporation, for

First: An order authorizing the issuance of
\$18,000 face value of bonds of Central
California Gas Company and the delivery
of said bonds to Los Angeles Trust and
Savings Bank, Trustee, for cancellation
under Article IV of the Trust Deed of
Central California Gas Company.

Second: An order authorizing the issuance of
\$60,000 par value of applicants 7% Prior
Preferred stock, being 600 shares there-
of, and to sell the same at par, the pro-
ceeds of which are to be applied in the
payment of applicant's notes and accounts
payable.

APPLICATION

Third: An order authorizing the issuance of
\$40,000 par value of applicants 7% Prior
Preferred stock, being 400 shares there-
of, and to sell the same at par, the pro-
ceeds thereof to be used to defray part
of the cost of a natural gas transmis-
sion system and appurtenances connected
therewith, the details of estimated cost
of which are shown in exhibits filed in
Application No. 2812, now pending before
Railroad Commission.

NO. 2889

Fourth: An order authorizing applicant to issue
\$100,000 of 6% five-year gold notes and
to sell the same so as to net the appli-
cant not less than 97% of the face value
thereof, said notes to be callable at
101 after June First, 1919, the proceeds
of the sale of said notes to be used to
defray part of the cost of said natural
gas transmission system.

LOVELAND AND DEVLIN, Commissioners.

O P I N I O N

This is an application of the Central California Gas Company for authority to issue certain securities for two purposes. First, to provide funds for the payment of certain of applicant's outstanding notes and accounts payable and second, to obtain funds for the construction of a gas transmission system to conduct natural gas from the Kern County oil fields for distribution in Kings and Tulare Counties.

In its order in Decision No. 3997, in Application 2337, the Commission indicated a plan which should be followed by the applicant herein to obtain funds to liquidate certain obligations. Sufficient evidence was not offered by applicant to convince us that the order in Decision No. 3997 should be modified and until the conditions of said order have been fully complied with, we are not inclined to recommend the issue of any securities by the applicant herein.

The Commission is this day issuing its decision No. in Application No. 2812 withholding, for the present and under conditions therein set forth, authority to construct the gas transmission system referred to in the last two sections of the application herein. Reference to the Opinion and Order contained in said decision is hereby made as being pertinent to and of interest in these proceedings.

For reasons set forth, we recommend that this application be denied.

O R D E R

Central California Gas Company having applied to the Railroad Commission for authority to issue \$18,000 face value of its bonds and \$100,000 par value of its 7% prior preferred stock and \$100,000 of 6% five year gold notes, and public hearings having been held and the Commission, for reasons set forth in the foregoing Opinion, believing that this application should be denied,

IT IS HEREBY ORDERED that the application be and the same is hereby denied.

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

Dated at San Francisco, California, this 21st day of July 1917.

W. H. K. K. K.
W. H. K. K. K.
Edwin C. Edgerton
Frank R. DeWitt
Commissioners.