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Decision No. 5483.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the Matter of the Application of )  
LOS ANGELES GAS AND ELECTRIC CORPORATION )  
for an order authorizing the issue and )  
sale of bonds in the amount of \$50,000. )

Application Number 3837.

Decision No. 5483

Paul Overton for applicant.

EDGERTON, Commissioner.

O P I N I O N .

LOS ANGELES GAS AND ELECTRIC CORPORATION, in this application, asks authority to issue \$50,000.00 of its first and refunding mortgage 5 per cent 30-year gold bonds payable September 1, 1939, for the purpose of reimbursing its treasury for capital expenditures from May 1, 1914 to November 30, 1915.

In Exhibit "C", attached to the petition, herein, applicant reports that it has expended for capital purposes from May 1, 1914 to November 30, 1915 the sum of \$927,221.05. From the \$927,221.05 the company deducts \$15,286.06, which has been used as a basis for the issue of a part of the \$900,000.00 of bonds authorized by the Commission in Decision Number 569, dated April 10, 1913, leaving \$911,934.99 against which no bonds have been issued. To finance the capital expenditures of \$911,934.99, the company drew upon its depreciation reserve to the extent of \$845,268.32 and upon its surplus to the extent of \$66,666.67. Because of the amount expended from surplus for capital purposes, the company asks authority

to issue \$50,000.00 of its bonds. The testimony in this proceeding, and reports on file with the Railroad Commission, show that the company's earnings and capital expenditures subsequent to May 1, 1914, have been such as to enable it to issue \$50,000.00 of bonds under the terms and conditions of its deed of trust.

I herewith submit the following form of order.

O R D E R.

LOS ANGELES GAS AND ELECTRIC CORPORATION having applied to the Railroad Commission for authority to issue \$50,000.00 of its first and refunding mortgage 5 per cent 30-year gold bonds payable September 1, 1939, a hearing having been held and the Commission being of the opinion that the money, property or labor to be procured or paid for by such issue is reasonably required for the purpose or purposes specified in the order and that such purpose or purposes are not in whole or in part reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that Los Angeles Gas and Electric Corporation be, and it is hereby, granted authority to issue at not less than 94-5/8 per cent of their face value plus accrued interest, \$50,000.00 of its first and refunding mortgage 5 per cent 30-year gold bonds payable September 1, 1939 for the purpose of reimbursing in part its treasury for capital expenditures subsequent to May 1, 1914, upon the following conditions:

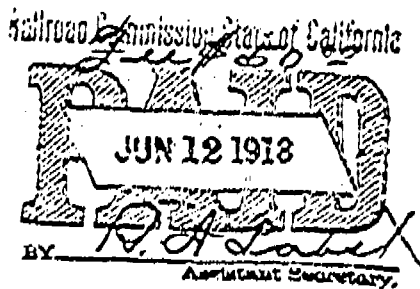
- (1).-- Los Angeles Gas and Electric Corporation shall keep separate, true and accurate accounts showing the receipt and application in detail of the proceeds of the sale of the bonds herein authorized to be issued; and on or before the twenty-fifth day of each month the company shall make verified reports to the 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 Number 24, which order, in so far as applicable, is made a part of this order.

- (2).-- The authority herein granted is conditioned upon the payment by applicant of the fee prescribed in the Public Utilities Act.
- (3).-- The authority herein granted shall apply only to such bonds as shall have been issued on or before August 1, 1918.

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 15th day of June, 1918.



*W. H. Boardman*  
*W. E. Gordon*  
*Edwin O. Fitzgerald*  
*Francis C. Tolson*

Commissioners.