

BEFORE THE RAILROAD COMMISSION
OF THE STATE OF CALIFORNIA.

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 In the Matter of the Application of :
 the PACIFIC GAS AND ELECTRIC COMPANY, :
 a corporation, for an order of the :
 Railroad Commission of the State of :
 California, authorizing it to issue, :
 sell and deliver, to the amount of :
 \$5,000,000 its bonds known and des- :
 ignated as "General and Refunding :
 Mortgage Gold Bonds (Series A, bearing :
 5% interest per annum, due January 1, :
 1942)", which bonds are to be issued :
 under and secured by its General and Re- :
 funding Mortgage, dated December 1, 1911, :
 executed by said Pacific Gas and Electric :
 Company, to Bankers Trust Company, corporate :
 trustee, and Frank B. Anderson, individual :
 trustee. :

Application No. 210.

Charles P. Cutter for Applicant.

ESHLEMAN, Commissioner.

SUPPLEMENTAL OPINION.

This is a supplemental application by Pacific Gas and Electric Company asking for the permission of this Commission to expend a portion of the proceeds from the sale of \$5,000,000 of bonds, as authorized in the order of this Commission of September 14, 1912, for purposes other than there specified. In its supplemental application Pacific Gas and Electric Company asks that the purposes for which the proceeds from the sale of the \$5,000,000 of bonds might be expended be enlarged to include projects to cost \$3,485,043. At the hearing, however, the application was narrowed to a request for authority to expend a portion of the proceeds from said bonds for the so-called "Bear River Development" in Placer County, in the sum of \$590,000. This development provides for the enlarging of twenty-two miles of the Bear River Canal, in Placer County, from its present capacity of fifty cubic feet per second.

to a capacity of three hundred and fifty cubic feet per second. It is proposed to use the water, after it has served for power development, for purposes of irrigation in Placer County.

The Bear River Canal work is closely related to and in reality is an extension of the general scheme comprehended in the Lake Spaulding and Drum power plant development.

There remains at this time unexpended \$94,077.44 of the proceeds from the sale of the \$5,000,000 of bonds authorized for the Lake Spaulding and Drum Power Plant development and other projects enumerated in Application No. 210.

I see no reason why applicant should not be authorized to carry on said Bear River Canal work at the same time with the Lake Spaulding and Drum Power development, and for this purpose it will be necessary that some part of the moneys derived from the sale of the above mentioned \$5,000,000 of bonds be used.

I recommend, therefore, that the application be granted, and submit the following form of order:

O R D E R .

PACIFIC GAS AND ELECTRIC COMPANY having applied to this Commission for authority to expend a portion of the proceeds derived from the sale of \$5,000,000 of its general and refunding 5% gold bonds, due January 1, 1942, for the purpose of enlarging twenty-two miles of the Bear River Canal, in Placer County, from its present capacity of fifty cubic feet per second to a capacity of three hundred and fifty cubic feet per second; and a hearing having been held, and it appearing that the purposes for which it is proposed to apply the proceeds from the sale of said bonds are not in whole or in part reasonably chargeable to operating expenses or income,

IT IS HEREBY ORDERED that Pacific Gas and Electric Company be authorized and it is hereby authorized to expend moneys from the proceeds of the sale of \$5,000,000 of its general and refunding mortgage 5% gold bonds, due January 1, 1942, as approved by this Commission in its

order of September 14, 1912, for the purpose of enlarging twenty-two miles of said Bear River Canal from its present capacity of fifty cubic feet per second to a capacity of three hundred and fifty cubic feet per second, at a cost not to exceed \$590,000, upon the following conditions, and not otherwise:

The conditions laid down in the Commission's order of September 14, 1912, authorizing the sale by Pacific Gas and Electric Company of \$5,000,000 of its first and refunding 5% gold bonds, due January 1, 1942, are hereby made conditions of the order herein.

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 7th day of April, 1913.

John W. Eschleman

H. L. ...

W. H. Gordon

Max ...

Commissioners.