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Decision No. 5977.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE
STATE OF CALIFORNIA.

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In the Matter of the Application of)
ECONOMIC GAS COMPANY,)
a corporation, for an order authoriz-)
ing the renewal of a promissory note)
of \$30,000.)

Application Number 4224.

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Chickering & Gregory and W.C. Fox for applicant.

DEVLIN, Commissioner.

O P I N I O N.

ECONOMIC GAS COMPANY asks authority to issue a 3-month 6 per cent promissory note to the Citizens National Bank of Los Angeles in the principal sum of \$30,000 for the purpose of renewing a note of like amount now outstanding. Applicant also asks permission to renew said note from time to time for a period not exceeding one year.

The issue of the note which applicant desires to renew was authorized by the Railroad Commission in Decision Number 4731, dated October 8, 1917, (Vol. 14, Opinions and Orders of the Railroad Commission of California, pg. 228).

Applicant reports that the payment of the \$30,000 note is secured by a deposit of \$45,000 of bonds issued pursuant to the authority granted in Decision Number 3544, dated July 27, 1916, (Vol. 10, Opinions and Orders of the Railroad Commission of California, pg. 628). Applicant asks permission to use the \$45,000 of bonds as collateral for the note which it intends to

issue pursuant to the authority herein granted.

I herewith submit the following form of order.

O R D E R.

ECONOMIC GAS COMPANY having applied to the Railroad Commission for authority to issue a 6 per cent promissory note in the principal sum of \$30,000, a public hearing having been held and it appearing that the moneys to be procured by the issue of the note are reasonably required for the purpose specified in the order,

IT IS HEREBY ORDERED that ECONOMIC GAS COMPANY be, and it is hereby, authorized to issue for not less than the face value thereof a promissory note to Citizens National Bank of Los Angeles in the principal sum of \$30,000 payable three months after date and bearing interest at not to exceed 6 per cent per annum, and to issue and pledge as collateral security for the payment of said note \$45,000 face value of bonds referred to in Decision Number 3544, dated June 27, 1916.

The authority herein granted is upon the following conditions, and not otherwise:

- 1.--- The proceeds from the sale of the note herein authorized to be issued shall be used by applicant solely for the purpose of paying the \$30,000 indebtedness due Citizens National Bank of Los Angeles.
- 2.--- Applicant may renew the note herein authorized to be issued from time to time provided that the term of the note herein authorized and the renewals thereof shall not exceed one year.
- 3.--- Economic Gas Company shall keep separate, true and accurate accounts showing the receipt and application of the proceeds of the note 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 in accordance with the Commission's General Order Number 24, which order, in so far as applicable, is made a part of this order.

4.- The authority herein granted shall apply only to such note and such renewals thereof as may be issued on or before November 1, 1919.

The foregoing Opinion and Order are hereby approved and order filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 5th day of December, 1918.

Edwin O. Edgerton
H. H. Townsend
Geo. Gordon
Maun R. Newby
Commissioners.