

MM

ORIGINAL

Decision No. 6468

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application  
of PACIFIC GAS AND ELECTRIC COMPANY,  
a corporation, for an order of the  
Railroad Commission of California  
authorizing it to issue, sell and  
deliver its first preferred stock  
to the par value of \$3,500,000.00  
and to use the proceeds from the  
sale of said first preferred stock  
in the manner and for the purposes  
described herein.

Application No. 4704.

C. P. Cutten for applicant.

DEVLIN, Commissioner.

OPINION

Pacific Gas and Electric Company asks permission to  
issue and sell at not less than \$85.00 per share 35,000 shares  
(\$3,500,000) of its first preferred 6 per cent capital stock.

Applicant reports stock outstanding as of December 31,  
1918, as follows:-

Common .....	\$85,700,924.66
Original Preferred .....	75,800.00
First Preferred .....	<u>24,881,305.00</u>
Total .....	\$90,658,029.66

Of the common stock \$31,696,866.66 is owned by  
system corporations.

The testimony of A. F. Hockenbeamer, Second Vice President and Treasurer of Pacific Gas and Electric Company, shows that the company has received a definite offer for \$3,500,000.00 of stock. The company is not at this time, however, in a position to advise the Commission as to the specific purpose for which it intends to expend the proceeds obtained from the sale of the stock. A general statement of probable expenses covering new construction and the acquisition of properties appears in the record. The company intends, and the testimony herein shows that it will file, hereafter, a supplemental petition setting forth the specific purposes for which it desires to use the proceeds from the sale of the stock. The order herein will provide that all the proceeds from the sale of the \$3,500,000. of stock, be deposited in a special bank account and expended only for such purposes as the Railroad Commission may authorize in a supplemental order or orders herein.

I herewith submit the following form of Order:-

### ORDER

PACIFIC GAS AND ELECTRIC COMPANY having applied to the Railroad Commission for permission to issue \$3,500,000. of its first preferred 6 per cent stock, a public hearing having been held and it appearing to the Railroad Commission 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 the expenditures for such purpose or purposes are not in whole or in part reasonably chargeable to operating expenses or to income;

IT IS HEREBY ORDERED that Pacific Gas and Electric Company be, and it is hereby, granted authority to issue and sell, at not less than \$85.00 per share, <sup>cash</sup> /35,000 shares (\$3,500,000) of its first preferred 6 per cent stock, subject to the following conditions

and not otherwise:-

1.-All the proceeds obtained from the sale of the stock herein authorized shall be deposited by applicant in a special bank account and expended only for such purposes as the Railroad Commission may authorize in a supplemental order or orders herein.

2.-Pacific Gas and Electric Company shall keep such record of the issue and sale of the stock herein authorized and of the disposition of the proceeds as will enable it to file on or before the twenty-fifth day of each month a verified report as required by the Railroad Commission's General Order Number 24, which order, in so far as applicable, is made a part of this Order.

3.-The authority herein granted shall apply only to such stock as may be issued on or before December 31, 1919.

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 30<sup>th</sup> day of June, 1919.

H. S. Loveland  
Frank R. Owen  
H. B. Brundage  
Wm. W. Martin

Commissioners.