

Decision No. 7706

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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ORIGINAL

In the Matter of the Application of
Los Angeles Gas and Electric Corpora-
tion for an order authorizing the
issuance and sale of bonds in the
amount of One Hundred Twenty-six
Thousand Dollars.

Appl. No. 5781

Paul Overton, for Applicant.

BRUNDIGE, Commissioner.

O P I N I O N

LOS ANGELES GAS AND ELECTRIC CORPORATION asks per-
mission to issue \$126,000.00 face value of its first and refund-
ing mortgage 5% gold bonds due September 1, 1939. It intends
to sell the bonds at not less than 90% of their face value
together with accrued interest and use the proceeds to reim-
burse its treasury because of monies expended from income for
permanent extensions, additions and betterments to its plant
and system.

In Exhibit "A", attached to the petition herein,
applicant reports the cost of additions and betterments to its
plant and system from April 1, 1920 to May 25, 1920, at
\$137,854.23 Applicant also reports that prior to April 1,
1920 it expended for similar purposes \$30,145.77 against which
no bonds have been issued. The total expenditures reported
in Exhibit "A" amount to \$168,000.00.

Applicant's mortgage, subject to the conditions
therein mentioned, permits the certification of bonds by the
trustees to an amount, or amounts, in par value not exceeding in

the aggregate 75% of the actual and reasonable cash expenditures made by the company for permanent extensions and additions of and to its plants, properties and equipment. The \$126,000 of bonds which applicant asks permission to issue represents 75% of the \$168,000 of expenditures reported in Exhibit "A". Applicant has made arrangements with Pacific Lighting Corporation for the sale of the bonds.

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 permission to issue \$126,000 of bonds, a public hearing having been held and the Commission being of the opinion that the monies, property or labor to be procured, or paid for by such issue, is reasonably required for the purpose specified in this Order, and that the expenditures for such purpose are not in whole or in part reasonably chargeable to operating expenses or income;

IT IS HEREBY ORDERED, that LOS ANGELES GAS AND ELECTRIC CORPORATION be, and it is hereby, granted authority to issue and sell on or before September 1, 1920, at not less than 90% of their face value, together with accrued interest, \$126,000 of its first and refunding mortgage 5% gold bonds due September 1, 1939 for the purpose of reimbursing, in part, its treasury because of monies actually expended from its income to pay for permanent extensions and additions of and to its plants, properties and equipment; provided, that the authority herein granted will not become effective until applicant has paid the fee prescribed by the Public Utilities Act, and provided further, that applicant keep such record of the issue and sale of the bonds

herein authorized and of the disposition of the proceeds as will enable it to file on or before the 25th. day of each month a verified report, as required by the Railroad Commission, General Order No. 24, which order, in so far as applicable, is made a part of this Order.

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 9th day of June, 1920.

Edwin O. Edgerton

Dwight Martin

H. H. Brundage

Commissioners.

State of California
JUN 9 1920
H. H. Brundage
Secretary