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Decision No. 2874

ORIGINAL

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 Rail-
road Commission authorizing it to is-
sue, sell and deliver its first pre-
ferred stock of the par value of One
Million Dollars (\$1,000,000.) and to
use the proceeds from the sale of said
First Preferred Stock in the manner
and for the purpose described herein.))

Application No. 5898.

C. P. Cutten, for Applicant.

DEVLIN, COMMISSIONER.

O P I N I O N.

PACIFIC GAS AND ELECTRIC COMPANY asks permission to issue and sell at not less than \$80. per share, 10,000 shares(\$1,000,000.) of its first preferred capital stock.

The testimony of Mr. A. F. Hockenbeamer, Second Vice President and Treasurer of Pacific Gas and Electric Company, shows that applicant will need approximately \$20,000,000. during the remainder of 1920 and in 1921, to proceed with its contemplated construction work and to install necessary additions and betterments.

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 from the sale of the stock, and for that reason asks, and the order herein will provide, that all proceeds from the sale of the \$1,000,000. of stock herein applied for, be deposited in its treasury and expended only for such purposes as the Rail-

road Commission might authorize in a supplemental order or orders.

I herewith submit the following form of order:

O R D E R.

PACIFIC GAS AND ELECTRIC COMPANY, having applied to the Railroad Commission for permission to issue 10,000 shares of its common capital stock of the par value of \$100. a share, 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 the Pacific Gas and Electric Company be, and it is hereby, granted authority to issue and sell on or before December 31, 1920 at not less than \$80. per share, 10,000 shares (\$1,000,000.) of its first preferred capital 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 its treasury or in a special bank account, and expended only for such purposes as the Railroad Commission may authorize in a supplemental order or orders in this proceeding.

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 25th day of each month a verified report, as required by the Railroad Commission's 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 14th day of July, 1920.

Edwin O. Edgerton
H. D. Loveland
Frank R. Nelson
H. B. Brundage
Livingston Martin
Commissioners.