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Decision No. 8406,

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of the)
COAST VALLEYS GAS AND ELECTRIC COMPANY,)
a corporation, for an order authorizing)
the issue of bonds of the face value of)
\$125,000.00.)

Application No. 5094.

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER.

WHEREAS, the Railroad Commission on December 9, 1919, by Decision No. 6915, authorized COAST VALLEYS GAS AND ELECTRIC COMPANY to issue and sell at not less than 85 per cent of their face value plus accrued interest, \$125,000.000 of its first mortgage bonds; and

WHEREAS, applicant has asked permission to sell the bonds at not less than 70 per cent of their face value plus accrued interest, or deposit them as collateral to secure the payment of 10-year 8 per cent notes;

And the Commission being of the opinion that the bonds should not be sold for less than 80 per cent of their face value plus accrued interest, and that otherwise the request of applicant should be granted;

NOW, THEREFORE, IT IS HEREBY ORDERED, that the order in Decision No. 6915, dated December 9, 1919, as amended, be, and it is hereby, modified so as to permit COAST VALLEYS GAS AND ELECTRIC COMPANY to sell the \$125,000.00 of bonds referred to in said order at not less than 80 per cent of their face value plus accrued interest, or deposit them as collateral to secure the payment of 10-year 8% notes.

In depositing them as collateral to secure the payment of the 10-year 8 per cent notes, said bonds are to be deposited at the ratio of \$3,000.00 face value of bonds for every \$2,000.00 face value of notes. As payments are made on said notes, a proper proportion of bonds shall be returned to applicant and thereafter not again deposited as collateral, except as authorized by the Railroad Commission.

IT IS HEREBY FURTHER ORDERED, that the order in Decision No. 6915, dated December 9, 1919, shall remain in full force and effect except as modified by this First Supplemental Order.

Dated at San Francisco, California, this 30th
day of November, 1920.

Edwin O. Edgerton
H. D. Hayward
Frank R. Holvey
H. B. Lusk
Iwing Martin
Commissioners.