

Decision No. 8616

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RRAILROAD COMMISSION  
OCT 11 1920

BEFORE THE RAILROAD COMMISSION  
OF THE STATE OF CALIFORNIA.

In the matter of the Application of )  
SOUTHERN COUNTIES GAS COMPANY OF )  
CALIFORNIA for authority to issue ) Application No. 6306  
additional bonds in the amount of )  
\$929,389.26 and to sell or pledge )  
the same. )

LOVELAND, COMMISSIONER.

F I R S T   S U P P L E M E N T A L   O R D E R.

Whereas, the Railroad Commission by decision number 8398, dated November 30, 1920, authorized SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA to issue \$929,389.26 of its first mortgage 5 $\frac{1}{2}$ % bonds, subject among others, to the condition that \$501,713.60 of said bonds be not deposited as collateral, sold, or otherwise disposed of, except as authorized by the Railroad Commission, and

Whereas, applicant in its first supplemental application in the above entitled matter reports that up to December 31, 1920, it has expended \$195,789.87 for permanent extensions, betterments and improvements to its existing plants and properties, against which no bonds have been issued; and

Whereas, applicant because of said expenditures, which have been examined and found reasonable, by the Engineering Department of the Commission, asks permission to deposit \$121,000 of said \$501,713.60 of bonds, and a public hearing having been held and the Commission being of the opinion that the money, property, or labor to be procured or paid for by

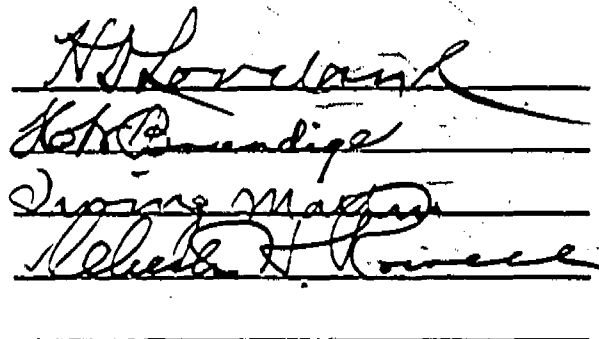
such issue of bonds is reasonably required by applicant and that the expenditures herein authorized are not in whole or in part reasonably chargeable to operating expenses or to income.

Now, therefore, it is hereby ordered that the order in decision number 8398 dated November 30, 1920, be and it is hereby modified so as to permit SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA to use \$121,000 of the \$501,713.60 first mortgage bonds covered by condition 2 of said order to secure in part the payment of \$100,000 of Series -B ten year collateral trust 8% gold bonds, provided that all moneys obtained through the deposit of the \$121,000 of first mortgage bonds be used to reimburse applicant's treasury, and after such reimbursement to pay current indebtedness reported in the first supplemental application in application number 6306.

It is hereby further ordered, that said \$121,000 of bonds shall be deposited at the ratio of \$131.25 face value of first mortgage bonds for every \$100.00 face value of 8 per cent collateral trust bond issued, and that as the 8 per cent collateral trust bonds secured by first mortgage bonds are paid, a proper proportion of the first mortgage bonds deposited as collateral shall be returned to applicant, and thereafter not disposed of by applicant in any manner, whatsoever, except as authorized by the Railroad Commission.

It is hereby further ordered, that the order in decision number 8398, dated November 30, 1920, shall remain in full force and effect except as modified by this first supplemental order.

Dated at San Francisco, California, this 11th, day of February, 1921.



Commissioners.