

ORIGINAL

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Decision No. 8668.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SAN JOAQUIN LIGHT AND POWER CORPORATION) Application No. 6417.
for authority to issue and pledge bonds.)

Murray Bourne for applicant.

LOVELAND, Commissioner.

O P I N I O N.

In this application, as amended on February 5th, SAN JOAQUIN LIGHT AND POWER CORPORATION asks permission to issue and pledge \$2,375,000.00 of its Series "C" 6 per cent first and refunding mortgage bonds to secure the payment of notes payable on or before ninety days after date. In its original application, applicant asks permission to issue and sell \$2,375,000.00 of 8 per cent convertible collateral trust bonds, the payment of which was to be secured by the deposit of the \$2,375,000.00 of the Series "C" 6 per cent first and refunding mortgage bonds.

Applicant reports that it has now in course of preparation a new mortgage under which it intends to issue bonds and that therefore it does not desire to sell any of the \$2,375,000.00 of 8 per cent convertible collateral trust bonds. An application for permission to issue and sell bonds under the new mortgage is now pending before the Commission.

Applicant reports that it has about \$4,000,000.00 of notes and accounts payable and that approximately \$550,000.00 of the notes mature before March 1st and that it should have available

from \$300,000.00 to \$400,000.00 to meet construction pay-rolls and make payments on account of small purchases. In Exhibit "A" filed in this proceeding, applicant reports \$7,075,796.21 of actual or estimated expenditures, which have not been financed through the sale of either bonds or stock. The order herein will provide that moneys obtained through the issue and deposit of \$2,375,000.00 of bonds must be used to finance in part the expenditures set forth in Exhibit "A".

Applicant agrees to pay, as soon as it receives moneys from the sale of its new bonds, the notes issued and secured by the Series "C" 6 per cent first and refunding mortgage bonds.

I herewith submit the following form of Order.

C R D E R.

SAN JOAQUIN LIGHT AND POWER CORPORATION having applied to the Railroad Commission for permission to issue and pledge \$2,375,000.00 of its Series "C" 6 per cent first and refunding mortgage bonds, 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 through the issue of such bonds is reasonably required for the purpose or purposes specified in this 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 SAN JOAQUIN LIGHT AND POWER CORPORATION be, and it is hereby, authorized to issue and deposit as collateral to secure the payment of notes payable on or before ninety days after date \$2,375,000.00 face value of its Series "C" 6 per cent first and refunding mortgage bonds, provided that said bonds are issued and deposited subject to the fol-

lowing conditions:

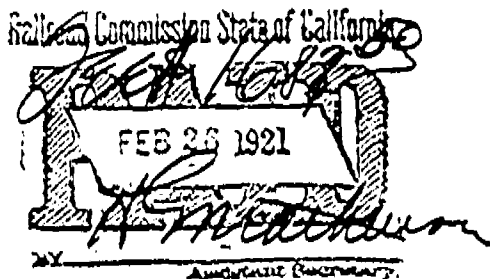
- 1.---Applicant shall file with the Commission the serial number of bonds issued and deposited.
- 2.---The face value of the notes secured by the bonds shall at no time be less than 56 per cent of the bonds deposited as collateral to secure the payment of such notes. As payments are made on the notes, a proper proportion of the bonds shall be returned to applicant's treasury and thereafter not disposed of in any manner whatsoever, except as authorized by this Commission.
- 3.---All moneys obtained through the issue and deposit of the bonds herein authorized shall be used to finance in part the expenditures reported in applicant's Exhibit "A" filed in this proceeding, or pay obligations incurred in connection with the construction of plant extensions, additions and betterments referred to in said Exhibit "A".
- 4.---San Joaquin Light and Power Corporation shall keep such record of the issue and deposit of the bonds herein authorized and of the disposition of the moneys realized through the deposit of the bonds 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.
- 5.---The authority herein granted will not become effective until applicant has paid the fee prescribed by the Public Utilities Act.

6.--The authority herein granted will apply only to such bonds as may be issued and deposited on or before April 15, 1921.

IT IS HEREBY FURTHER ORDERED, that this application, in so far as it relates to the issue and sale of \$2,375,000.00 of 8 per cent convertible collateral trust bonds be, and it is hereby, dismissed without prejudice.

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 24th day of February, 1921.



Frank P. Devlin
H. D. Ireland
Charles H. Kowal
H. P. Brundage

Commissioners.