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Decision No. 8694.

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
LOS ANGELES GAS AND ELECTRIC CORPORATION)	
for an order authorizing the issue and)	<u>Application No. 6583.</u>
sale of preferred capital stock in the)	
amount of Two Million Dollars par value.)	

Paul Overton for applicant.

LOVELAND, Commissioner.

O P I N I O N.

LOS ANGELES GAS AND ELECTRIC CORPORATION asks permission to issue and sell at not less than \$85.00 per share 20,000 shares (\$2,000,000.00) of its 6 per cent cumulative preferred stock.

In Decision No. 8516, dated January 5, 1921, Application No. 6450, the Commission authorized applicant to issue and sell at not less than \$85.00 per share 10,000 shares (\$1,000,000.00) of its 6 per cent cumulative preferred stock. Applicant reports that up to close of business on February 25th, it has sold \$625,700.00 of this stock and that inquiries has been made for additional stock.

In connection with Application No. 6450, applicant filed with the Commission a statement showing estimated expenditures for plant extensions, additions and betterments, amounting to \$5,183,470.00. The estimated expenditures reported in that application and incorporated in this application are summarized by

applicant as follows:

Gas Works,.....	\$2,132,105.00
Electric Works,.....	577,900.00
Gas Distributing System,.....	1,632,775.00
Electric Distributing System,...	356,625.00
Miscellaneous,.....	484,065.00
Total,.....	\$5,183,470.00

The necessity for making these expenditures is referred to in Decision No. 8516, dated January 5, 1921.

Mr. C.A. Luckenbach, third vice-president of Los Angeles Gas and Electric Corporation, testified that the company's expenditures for plant extensions, additions and betterments during 1921 will be considerably in excess of \$5,183,470.00, and that it will be necessary for applicant to hereafter file an application for permission to sell bonds and additional stock to carry forward its construction work.

The stock covered in this application, applicant intends to sell under the same terms and conditions that it is selling the \$1,000,000.00 of its 6 per cent cumulative preferred stock, the issue of which is authorized by Decision No. 8516, dated January 5, 1921.

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 \$2,000,000.00 of its 6 per cent cumulative preferred stock, a public hearing having been held and the Railroad Commission being of the opinion 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 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 LOS ANGELES GAS AND ELECTRIC CORPORATION be, and it is hereby, authorized to issue 20,000 shares (\$2,000,000.00) of its 6 per cent cumulative preferred stock.

The authority herein granted is subject to the following conditions:

- 1.--The stock herein authorized to be issued shall be sold for not less than \$85.00 per share and the proceeds used to pay in part for additions and extensions to plants, properties and equipment referred to in Exhibit "B" filed in Application No. 6450.
- 2.-- Los Angeles Gas and Electric Corporation 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.
- 3.-- The authority herein granted will apply only to such stock as MAY BE ISSUED on or before December 31, 1921.

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 3rd day of March, 1921.

Walter R. DeWitt
H. Loveland
H. B. Boudier
Charles H. Quinn

Commissioners.