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Decision No. 9666

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of)
SOUTHERN COUNTIES GAS COMPANY OF CAL-)
IFORNIA for an order authorizing the)
issuance of 10-year collateral trust)
gold bonds, the execution of the trust)
deed and mortgage securing the same)
and the pledging of first mortgage)
bonds as part of the security thereof.)

Application Number 6307

Walter S. McFarland, for Applicant.

BRUNDIGE, Commissioner.

FIFTH SUPPLEMENTAL ORDER.

WHEREAS, the Railroad Commission by Decision Number 8399, dated November 30, 1920, as amended, authorized Southern Counties Gas Company of California to execute a trust deed securing the payment of a total authorized issue of \$1,000,000.00 of 10-year collateral trust 8 percent. gold bonds due December 1, 1930, and

WHEREAS, the Railroad Commission by various orders in this proceeding has authorized applicant to issue and sell at not less than 95 percent. of face value and accrued interest, \$900,000. of such collateral trust bonds, and

WHEREAS, applicant now reports in Exhibit "B" attached to the fifth supplemental petition in Application Number 6306, that up to August 31, 1921, it has expended \$251,237.60 for permanent extensions, additions, betterments and improvements to its existing plant and property, against which it has issued no bonds, and

WHEREAS, to finance in part such expenditures, applicant in its fifth supplemental petition in the above entitled matter, asks permission to issue and sell at not less than 95 percent. of face value plus accrued interest, an additional \$100,000.00 of collateral trust bonds (Series F) and to secure their payment by the deposit of \$131,300.00 of its first mortgage bonds;

AND, 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 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 SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA be, and it is hereby, authorized to issue and sell on or before March 31, 1922, at not less than 95 percent. of their face value plus accrued interest, \$100,000.00 of Series "F" 10-year collateral trust bonds and to use the proceeds to reimburse its treasury for moneys expended for extensions, additions, betterments and improvements referred to herein, and after such reimbursement, to pay current liabilities reported in the fifth supplemental petition in Application Number 6306.

The authority herein granted is subject to further conditions as follows:-

- 1 --- The payment of the \$100,000.00 of Series "F" collateral trust gold bonds herein authorized may be secured by the deposit of \$131,300.00 of applicant's 5-1/2 percent. first mortgage bonds. As the collateral trust bonds are redeemed, a proper proportion of applicant's first mortgage bonds deposited as collateral shall be returned to applicant and thereafter not disposed

of in any manner whatsoever except as authorized by the Railroad Commission.

2 ---The authority herein granted to issue bonds will not become effective until applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is \$100.00.

3 --Southern Counties Gas Company of California shall keep such record of the issue and sale of the bonds 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 Fifth Supplemental Order is hereby approved and ordered filed as the Fifth Supplemental Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 28th day of October, 1921.

Fee \$100.00
OCT 31 1921
Charles Beck

H. B. Boydell
H. D. Loveland
J. P. ...
Commissioners.