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Decision No. 4670

ORIGINAL

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)
additional bonds in the amount of)
\$929,389.26, and to sell or pledge)
the same.)

Application No. 6306.

Walter S. McFarland, for Applicant.

BRUNDIGE, Commissioner.

FIFTH SUPPLEMENTAL ORDER.

WHEREAS, the Railroad Commission by Decision Number 8399, dated November 30, 1920, in Application Number 6307, authorized Southern Counties Gas Company of California to execute a trust deed securing the payment of an authorized issue of \$1,000,000.00 of 10-year collateral trust gold bonds due December 1, 1930, the payment of which is to be secured by the deposit of applicant's first mortgage bonds, and

WHEREAS, the Railroad Commission, by orders in this proceeding, has heretofore authorized applicant to issue and deposit \$1,073,775.66 of first mortgage bonds to secure the payment of \$900,000.00 of collateral trust bonds authorized to be issued by orders in Application Number 6307, and

WHEREAS, applicant in its fifth supplemental application in the above entitled matter, reports that up to August 31, 1921, it has expended \$251,237.60 for permanent extensions, additions, betterments, and improvements to its existing plant and properties against which it has issued no bonds, and

WHEREAS, applicant, because of such expenditures, asks permission to issue and deposit \$131,300.00 of its first mortgage bonds to secure the payment of \$100,000.00 of Series "F" collateral trust bonds;

AND, a public hearing having been held, and it appearing to the Railroad Commission that applicant's request should be granted, and that the money, property or labor to be procured or paid for by the issue and deposit of such bonds is reasonably required by applicant, and that the expenditures herein authorized are not in whole or in part reasonably chargeable to operating expense or to income;

NOW, THEREFORE, IT IS HEREBY ORDERED that SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA be, and it is hereby, authorized to issue \$131,300.00 of its first mortgage bonds, and to pledge them as collateral to secure the payment of \$100,000.00 of Series "F" collateral trust gold bonds, provided

1.----That all moneys obtained through the deposit of the \$131,300.00 of first mortgage bonds be used to reimburse applicant's treasury and thereafter used to pay in part current indebtedness reported in its fifth supplemental petition in this proceeding.

2.----That the said \$131,300.00 of bonds be deposited at the ratio of \$131.25 face value of first mortgage bonds for every \$100.00 face value of collateral trust bonds issued, and that as the collateral trust bonds secured by first mortgage bonds are paid, a proper proportion of the first mortgage bonds deposited as collateral be returned to applicant and thereafter not disposed

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

3 ---That applicant keep such record of the issue and deposit of the bonds herein authorized 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.

4 -- That the authority herein granted shall apply only to such bonds as may be issued and deposited on or before March 31, 1922.

The foregoing Fifth Supplemental Order is hereby approved and ordered filed as the Fifth Supplemental Order of the Railroad Commission.

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

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