

Decision No. 28555

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
COAST COUNTIES GAS AND ELECTRIC COMPANY,  
a corporation, for an order authorizing  
applicant to issue its first mortgage  
bonds of the par value of Four Million  
(\$4,000,000.) Dollars and to use the  
proceeds for the purposes specified  
in this petition.

Application No. 20109

BY THE COMMISSION:

ORIGINAL

FIRST SUPPLEMENTAL ORDER

Coast Counties Gas and Electric Company in a supplemental application filed in the above entitled matter on February 7, 1936 asks permission to amortize the sum of \$390,042.89 over a period of thirty (30) years, the life of its Three Million Dollars of first mortgage 4% Series B bonds, due September 1, 1965, issued under the authority granted by Decision No. 28177 dated August 19, 1935.

The \$390,042.89 represents unamortized bond discount and expense on bonds redeemed and premiums paid upon the redemption of such bonds. Under the uniform system of accounts prescribed by the Railroad Commission the said sum of \$390,042.89 should have been charged to profit and loss at the time the bonds were redeemed. The company requests that it be relieved from such requirement and be permitted to write off the said \$390,042.89 over the period indicated.

If the company's request is considered purely as a matter of accounting convenience, it may be granted. This order relating to the manner under which accounting entries may be made is premissive only and should not be taken as depriving the Commission of the power to withdraw its approval at any time or as binding it to the acceptance of such accounting entries if involved in other proceedings. We do

not believe, for example, that the amortization of said sum of \$390,042.89 should in the future be considered as a part of the cost of money to applicant.

The Commission having considered applicant's request and being of the opinion that such request may be granted subject to the provisions of this First Supplemental Order, therefore,

IT IS HEREBY ORDERED that Decision No. 11353 dated December 13, 1922 and Decision No. 12691, dated October 13, 1923, are hereby modified so as to permit Coast Counties Gas and Electric Company, unless and until otherwise directed, to charge to Account 131-Unamortized Debt Discount and Expense, the aforesaid \$390,042.89 and amortize said sum over the life of its said Series B first mortgage bonds in the manner in which charges to said Account 131 should be amortized under the uniform system of accounts prescribed by the Railroad Commission.

DATED at San Francisco, California, this 10th day of February, 1936.

M B Harris  
Leon Anthony  
M A Carr  
Graves R. DeWitt  
Commissioners.