

Decision No. 33989

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of PACIFIC GAS AND ELECTRIC COMPANY for an order of the Railroad Commission of the State of California, authorizing applicant (1) to issue not exceeding \$110,000,000 principal amount of First and Refunding Mortgage Bonds and to use the proceeds thereof for the purposes set forth in this petition; (2) to execute, acknowledge, deliver and record a Third Supplemental Indenture to applicant's First and Refunding Mortgage dated December 1, 1920; and (3) to amortize on or before the date of maturity of said proposed bonds, the amount of the unamortized discount and expense applicable to, and the premium to be paid in connection with, the redemption on June 1, 1941 of Bonds of Series G, together with the unamortized discount, expense and premium applicable to associated and related issues of bonds of applicant and its former subsidiaries heretofore paid and redeemed.

Application No. 24012

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER

The Pacific Gas and Electric Company, in a supplemental petition filed in the above entitled matter on March 22, 1941, reports that it will not, at this time, proceed with the refunding of its \$91,428,000 of First and Refunding Mortgage Bonds, Series G, 4%, due December 1, 1964, and that therefore, it is not necessary for it to issue the \$110,000,000 of First and Refunding Mortgage Bonds, Series J, 3%, due December 1, 1970, authorized by Decision No. 33989, dated March 11, 1941. The company does, however, intend to issue and sell at this time \$20,000,000 of said First and Refunding Mortgage

Bonds, Series J, 3%, due December 1, 1970, for the purpose of reimbursing its treasury because of income expended for capital purposes. The company requests that the Commission modify its order in said Decision No. 33989, dated March 11, 1941, accordingly. The Commission has considered applicant's request and believes that there is no need to hold a hearing on applicant's supplemental petition, that the money, property or labor to be procured or paid for by the issue and sale of \$20,000,000 of First and Refunding Mortgage Bonds, Series J, 3%, due December 1, 1970, by Pacific Gas and Electric Company is reasonably required by said Pacific Gas and Electric Company for the purpose herein stated, that the expenditures for said purpose are not, in whole or in part, reasonably chargeable to operating expenses or to income and that the Commission's order in said Decision No. 33989, dated March 11, 1941, should be amended to read as follows:

IT IS HEREBY ORDERED that Pacific Gas and Electric Company be, and it is hereby, authorized to issue and sell, after the effective date hereof and prior to June 1, 1941, at not less than ninety nine and three fourths (99-3/4%) per cent of their face value and accrued interest, not exceeding \$20,000,000 face value of First and Refunding Mortgage Bonds, Series J, 3%, due December 1, 1970, and use the proceeds, *Item* ✓ other than accrued interest, to reimburse its treasury, in part, on account of income expended to acquire properties, the cost of which is chargeable to capital or investment accounts. The accrued interest may be used for general corporate purposes.

IT IS HEREBY FURTHER ORDERED that Pacific Gas and Electric Company be, and it is hereby, authorized to execute and deliver, after the effective date hereof and prior to June 1, 1941, a Third Supplemental Trust Indenture substantially in the same form as the

Third Supplemental Trust Indenture filed in this proceeding on March 22, 1941, provided that the authority herein granted to execute said Indenture is for the purpose of this proceeding only, and is granted insofar as this Commission has jurisdiction under the terms of the Public Utilities Act and is not intended as an approval of said Indenture as to such other legal requirements to which said Indenture may be subject.

IT IS HEREBY FURTHER ORDERED that Pacific Gas and Electric Company be, and it is hereby, authorized to execute, authenticate, and deliver pending the preparation and delivery of definitive bonds, temporary bonds exchangeable for definitive bonds, such temporary bonds to be issued and sold under the same terms and conditions as the Pacific Gas and Electric Company is herein authorized to issue and sell \$20,000,000 of definitive First and Refunding Mortgage Bonds, Series J, 3%, due December 1, 1970.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when Pacific Gas and Electric Company has paid the additional fee prescribed by Section 57 of the Public Utilities Act, which additional fee is Three Hundred and Fifty Seven (\$357.00) Dollars.

IT IS HEREBY FURTHER ORDERED that within fifteen (15) days after the effective date of the registration statement filed with the Securities and Exchange Commission, Pacific Gas and Electric Company shall file with the Railroad Commission a copy of said registration statement and a copy of each of the exhibits referred to therein except such exhibits as were annexed to registration statements previously filed with the Securities and Exchange Commission.

IT IS HEREBY FURTHER ORDERED that Pacific Gas and Electric Company shall file with the Railroad Commission within fifteen (15)

days after the execution of said Third Supplemental Trust Indenture two certified copies of said Third Supplemental Trust Indenture.

IT IS HEREBY FURTHER ORDERED that Pacific Gas and Electric Company shall file with the Railroad Commission a report, or reports, as required by the Commission's General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

IT IS HEREBY FURTHER ORDERED that Pacific Gas and Electric Company shall, on or before August 31, 1941, file with the Railroad Commission a statement showing in detail the expenses incurred by it because of the issue and sale of said \$20,000,000 of First and Refunding Mortgage Bonds, Series J, 3%, due December 1, 1970, and the account, or accounts, to which said expenses have been charged on the books of Pacific Gas and Electric Company.

Dated at San Francisco, California, this 25 day of March, 1941.

[Signature]  
[Signature]

Justus D. Coakley  
Francis L. Haveman  
Commissioners

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RAILROAD COMMISSION  
STATE OF CALIFORNIA  
PAID  
MAR 25 1941  
By [Signature]  
SECRETARY