

Decision No. 33736

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of LOUIS R. LACKEY to sell, assign and transfer, and BLYTHE GAS CO., LTD., a corporation, to purchase, acquire and operate certain public utility gas properties, franchise and certificate of public convenience and necessity; and of BLYTHE GAS CO., LTD., a corporation, to issue and sell stock, notes and other evidences of indebtedness.

Application No. 22976

BY THE COMMISSION:

FIRST SUPPLEMENTAL OPINION AND ORDER

The Railroad Commission, by Decision No. 33736, dated December 17, 1940, in the above entitled matter, among other things, authorized Blythe Gas Co., Ltd. to issue \$18,125 par value of its common capital stock in part payment for a public utility gas plant, located in Blythe, California, to be acquired by it from Louis R. Lackey.

The company has reported the issue of the \$18,125 of stock in part payment for the properties acquired from Louis R. Lackey and has filed a copy of the grant deed and of the bill of sale, each dated March 15, 1941, under which it acquired title to such properties.

The order of the Commission was based in part upon a showing of the cost of the properties as they existed on

July 31, 1940. It appears that an increasing demand for gas and the need for additional storage capacity had called for the expenditure of additional sums between July 31, 1940 and February 28, 1941, as follows:

Distribution structure	\$ 4.00
Distribution station equipment	85.23
Distribution storage equipment	554.60
Distribution mains	241.85
Distribution services	146.94
Consumers' meters and regulators	<u>588.52</u>
Total	<u>\$1,621.14</u>

The company accordingly has asked for supplemental authority to issue to Louis R. Lackey \$1,625 par value of common stock, in addition to the \$18,125 of common stock authorized by Decision No. 33736, in payment for this additional capital investment.

The Commission has considered this request and is of the opinion that the money, property or labor to be procured or paid for through the issue of the additional stock is reasonably required for the purpose indicated herein and that the expenditures for said purpose are not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED that Blythe Gas Co., Ltd. be, and it hereby is, authorized to issue to Louis R. Lackey, on or before July 31, 1941, \$1,625 par value of its common capital stock, in addition to the \$18,125 of common capital stock authorized by Decision No. 33736, in part payment for the properties acquired from Louis R. Lackey.

IT IS HEREBY FURTHER ORDERED that Blythe Gas Co., Ltd. within thirty (30) days after the issue of the stock here-

in authorized shall file with the Commission a report showing the date of such issue, the stock certificate number or numbers, the name, or names, of those to whom the stock was issued and the number of shares and total par value represented by each certificate.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall become effective upon the date hereof.

Dated at San Francisco, California, this 29<sup>th</sup> day of April, 1941.

W. G. Baker  
Ray L. Kieley  
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Francis D. Havenor  
Commissioners.