

ORIGINAL

Decision No. 37412

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the application of PACIFIC GAS AND ELECTRIC COMPANY, a corporation, for an order of the Railroad Commission of the State of California authorizing applicant to issue \$115,000,000 principal amount of its First and Refunding Mortgage Bonds, Series L, 3%, due June 1, 1974, and to use the proceeds for the purposes specified in this petition, etc.

Application No. 26387

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER

WHEREAS, the Commission in Decision No. 37411, dated October 17, 1944, recites that the disposition of the unamortized bond discount, expense and premium, Federal tax savings and premium received will be the subject matter of a supplemental order in this application, and

WHEREAS, it appears to the Commission that the premium received on the bonds sold should not be credited to Account 140, Unamortized Bond Discount, Expense and Premium, but to Account 240, Unamortized Premium on Debt, and amortized over the life of the

Series L, 3%, Bonds, and

WHEREAS, the Commission is of the opinion that the disposition of approximately \$2,602,000 which applicant proposes to transfer to its reserve for pensions should be covered by a further supplemental order in this matter, and that permission should now be granted to applicant to deviate from the uniform systems of accounts prescribed by the Railroad Commission as herein provided, therefore

IT IS HEREBY ORDERED that Pacific Gas and Electric Company may deviate from the uniform systems of accounts prescribed by the Railroad Commission for electric corporations, gas corporations and water corporations, and amortize on or before June 1, 1974, the discount, expense and premium of \$6,795,055.15 reported in Exhibit "C," plus the premium paid upon the redemption of Series H, 3-3/4%, Bonds less an amount equal to the savings of Federal taxes on income, excluding from said savings said approximate sum of \$2,602,000, provided that the Commission reserves the right to withdraw the permission herein granted to deviate from said uniform systems of accounts, and to determine hereafter whether the charges necessary to amortize said bond discount, expense and premium should be included in the cost of money to Pacific Gas and Electric Company.

IT IS HEREBY FURTHER ORDERED that the authority herein

granted will become effective upon the date hereof.

Dated at San Francisco, California, this 18 day of  
October, 1944.

Richard L. Schaefer

Francis R. Heyman  
Francis J. Davis

Commissioners.