

Decision No. 37447

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of SAN JOAQUIN LIGHT AND POWER CORPORATION and PACIFIC GAS AND ELECTRIC COMPANY for an order authorizing Pacific Company to assume the debts, liabilities, and obligations of San Joaquin Corporation and authorizing San Joaquin Corporation to distribute and transfer to Pacific Company its plants, properties and other assets, all in conformity with the provisions of the agreement herein mentioned.

ORIGINAL

Application  
No. 22157

BY THE COMMISSION:

SECOND SUPPLEMENTAL OPINION

The Commission, by Decision No. 31354, dated October 13, 1938, as amended, authorized San Joaquin Light and Power Corporation, hereinafter sometimes called San Joaquin Corporation, to distribute and transfer, subject to the provisions of said Decision, its properties to Pacific Gas and Electric Company, hereinafter sometimes referred to as Pacific Company.

Applicants in their Fourth Supplemental Application filed in this proceeding on October ~~24~~<sup>11</sup>, 1944, report that pursuant to said Decision No. 31354, as amended, San Joaquin Corporation heretofore distributed and granted to Pacific Company all of its properties and assets of every kind and character, to have and

hold unto said grantee, its successors and assigns, for its and their use and benefit, subject to all existing tax and other liens, including the lien of a mortgage or deed of trust dated March 1, 1921, executed to The Equitable Trust Company of New York, as trustee (whose successor is The Chase National Bank of the City of New York); that Pacific Company as part of the same transaction, did specifically assume and agree to perform all of San Joaquin Corporation's obligations arising out of and existing under and by virtue of said mortgage or deed of trust, and to pay and discharge at or before maturity, the principal amount of the bonds then outstanding under or secured by said deed of trust and the interest to accrue on said bonds; and that Pacific Company also specifically assumed and agreed to perform all of San Joaquin Corporation's obligations arising out of and existing under or by virtue of franchises distributed to it.

As of August 31, 1944, San Joaquin Corporation had outstanding bonds issued under its unifying and refunding mortgage dated March 1, 1921, of the aggregate principal amount of \$8,220,000, exclusive of \$77,500 principal amount of said bonds held in the treasury of the Pacific Company. Before winding up the affairs and effecting the dissolution of San Joaquin Corporation, it and Pacific Company are desirous of complying with certain provisions of Sections 3, 4, and 9 of Article XIII of said unifying and refunding mortgage by executing a certain proposed indenture with The Chase National Bank of the City of New York as trustee under said mortgage. A copy of the proposed indenture is filed as Exhibit "D" of said Fourth Supplemental Application.

Under the terms of this proposed indenture the Pacific Company assumes the due performance and observance of all covenants and conditions contained in San Joaquin Corporation's unifying and refunding mortgage dated March 1, 1921; assumes the due payment of the principal and interest upon all bonds secured thereby; and is substituted for San Joaquin Corporation all in conformity with Sections 3, 4, and 9 of Article XIII of said mortgage or deed of trust.

FIFTH SUPPLEMENTAL ORDER

The Commission has considered applicants' request and is of the opinion that this is not a matter on which a hearing is necessary, and that applicants' Fourth Supplemental Application should be granted, therefore,

IT IS HEREBY ORDERED that San Joaquin Light and Power Corporation and Pacific Gas and Electric Company be, and they are hereby, authorized to enter into and execute with The Chase National Bank of the City of New York, as trustee, of said San Joaquin Corporation's unifying and refunding mortgage, dated March 1, 1921, a supplemental indenture substantially in the form of the indenture which is filed as Exhibit "D" of said Fourth Supplemental Application.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days after the execution of said supplemental indenture Pacific Gas and Electric Company shall file with the Railroad Commission two verified copies of said supplemental indenture.

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

Dated at San Francisco, California, this 31<sup>st</sup> day of October, 1944.

Richard L. Jackson  
Justin F. Caseman  
Francis R. Havens  
Samuel B. ...  
Just F. ...  
Commissioners,