

**ORIGINAL**

Decision No. 55645

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

Desert Gas Co., Inc.  
for authorization to execute  
evidence of indebtedness.

} Application No. 39409

OPINION AND ORDER

Desert Gas Co., Inc., applicant herein, is a California corporation engaged in supplying propane gas service in and about Twentynine Palms. In this application, it reports that during 1955 it issued two notes, each in the amount of \$2,500, to Oakford Gas & Appliance Corp. to finance the cost of additions to its distribution lines. The notes by their terms are payable in monthly installments of \$25 on the principal of each, with interest at the rate of 5 per cent per annum, payment to start May 1, 1957.

The company did not obtain from the Commission authorization to issue these long-term evidences of indebtedness. It appears, however, that its failure to do so was through inadvertence and with no intent to evade the provisions of the Public Utilities Code. It has filed this application for authorization to issue new evidences of indebtedness in lieu of those issued without authorization.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the money, property or labor to be procured or paid for by the issue of the

notes herein authorized is reasonably required by applicant for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Desert Gas Co., Inc., may issue its notes in the aggregate face amount of not exceeding \$5,000 for the purpose of refinancing existing indebtedness, such notes to be in, or substantially in, the same form as those filed in this proceeding as Exhibit B.

2. Desert Gas Co., Inc., shall file with the Commission a monthly report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

3. The authority herein granted will become effective when Desert Gas Co., Inc., has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.

Dated at San Francisco, California, this 8<sup>th</sup> day of October, 1957.

[Signature]  
President  
[Signature]  
[Signature]  
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Public Utilities Commission  
STATE OF CALIFORNIA  
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