

Handwritten: 6-19-32

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application Docket Nos. 78263 and
78264 and Securities Certificate
No. 1325, 1326 and 1327

In re: Application of THE UNITED GAS IMPROVEMENT COMPANY and THE PHILADELPHIA GAS WORKS COMPANY - For approval of (1) the transfer by The Philadelphia Gas Works Company to The United Gas Improvement Company and the acquisition by the latter of the right to operate the gas facilities of Northern Liberties Gas Company; (2) the beginning of the exercise by The United Gas Improvement Company of the additional rights, powers, franchises and privileges which it proposes to obtain from The Philadelphia Gas Works Company; (3) the resumption of the supplying and distribution of gas, in that part of the City of Philadelphia which was formerly known as the District of Northern Liberties, by The United Gas Improvement Company, as agent for Northern Liberties Gas Company, under the agreement between them of July 2, 1900; and (4) the abandonment by The Philadelphia Gas Works Company of the right, power, franchise and privilege to operate the facilities of Northern Liberties Gas Company, all in the City of Philadelphia - A. 78263

Application of THE UNITED GAS IMPROVEMENT COMPANY, ALLENTOWN-BETHLEHEM GAS COMPANY, CONSUMERS GAS COMPANY, THE HARRISBURG GAS COMPANY, LANCASTER COUNTY GAS COMPANY, LEBANON VALLEY GAS COMPANY, LUZERNE COUNTY GAS AND ELECTRIC CORPORATION and THE PHILADELPHIA GAS WORKS COMPANY - For approval of (1) the transfer by merger of all the property, rights, powers, franchises and privileges of the seven last-named companies into The United Gas Improvement Company; (2) the acquisition by The United Gas Improvement Company by merger into it of all the rights, powers, franchises and privileges of the said seven last-named companies; and (3) the beginning of the exercise by The United Gas Improvement Company of all the additional rights, powers, franchises and privileges of the said seven last-named companies necessary and proper for furnishing service to the public in the territories in which the said seven last-named companies now furnish service - A. 78264

Securities Certificate of The United Gas Improvement Company in the matter of the issuance of Cumulative Preferred Stock - S.C.1325

Securities Certificate of The United Gas Improvement Company in the matter of the issuance of Common Stock - S.C.1326

Securities Certificate of The United Gas Improvement Company in the matter of the issuance of First Mortgage Bonds - S.C.1327

RECORD FOLDER

DOCKETED
APPLICATION DOCKET
JUN 23 1932
ENTRY No.

ORDER

BY THE COMMISSION, JUNE 16, 1952:

The matters and things involved in A. 78263 and A. 78264 having been duly submitted and heard, and full consideration having been given thereto, we find and determine that it is necessary or proper for the service, accommodation, convenience, or safety of the public that certificates of public convenience issue evidencing approval thereof; and we further find and determine that the issuance of securities in the amounts, of the character, and for the purposes proposed in S.C. 1325, S.C. 1326, and S.C. 1327 is necessary or proper for the present and probable future capital needs of The United Gas Improvement Company, and that said securities certificates accordingly should be registered; THEREFORE,

IT IS ORDERED:

1. That (a) the transfer by The Philadelphia Gas Works Company to The United Gas Improvement Company and the acquisition by the latter of the right to operate the gas facilities of Northern Liberties Gas Company; (b) the beginning of the exercise by The United Gas Improvement Company of the additional rights, powers, franchises, and privileges which it would obtain from The Philadelphia Gas Works Company by virtue of said transfer; (c) the resumption of the supplying and distribution of gas in that part of the City of Philadelphia which was formerly known as the District of Northern Liberties, by The United Gas Improvement Company as Agent for Northern Liberties Gas Company, under the agreement between them dated July 2, 1900; and (d) the abandonment by The Philadelphia Gas Works Company of the right, power, franchise, and privilege to operate the facilities of Northern Liberties Gas Company, be and are hereby approved, and that a certificate of public convenience evidencing approval issue at A. 78263.

2. That (a) the consolidation and merger of The United

Gas Improvement Company, Allentown-Bethlehem Gas Company, Consumers Gas Company, The Harrisburg Gas Company, Lancaster County Gas Company, Lebanon Valley Gas Company, Luzerne County Gas and Electric Corporation, and The Philadelphia Gas Works Company under the name The United Gas Improvement Company, (b) the transfer, by merger, of all the property, rights, powers, franchises, and privileges of the seven last-named companies to The United Gas Improvement Company, (c) the acquisition by The United Gas Improvement Company, by merger into it, of all the rights, powers, franchises, and privileges of the said seven last-named companies, and (d) the beginning of the exercise by The United Gas Improvement Company, as merged and consolidated, of all the additional rights, powers, franchises, and privileges of the said seven last-named companies necessary and proper for furnishing service to the public in the areas located in the counties of Lehigh, Northampton, Bucks, Berks, Dauphin, Cumberland, York, Lancaster, Lebanon, Luzerne, and the City and County of Philadelphia shown on the map marked Exhibit "9", including the communities listed in Exhibit "4", both said exhibits being of record at A. 78264, be and are hereby approved, and that a certificate of public convenience evidencing approval issue at A. 78264.

3. That Securities Certificate No. 1325, in the matter of the issuance by The United Gas Improvement Company, as merged and consolidated, of \$2,500,000 par value of 4½% Cumulative Preferred Stock, be and is hereby registered.

4. That Securities Certificate No. 1326, in the matter of the issuance by The United Gas Improvement Company, as merged and consolidated, of \$18,271,183.50 par value of Common Stock, be and is hereby registered.

5. That Securities Certificate No. 1327, in the matter of the issuance by The United Gas Improvement Company, as merged and consolidated, of seven series of First Mortgage Bonds of an aggregate principal amount of \$15,758,000, as follows:

\$ 2,219,000	-	3%	Series due 1965
6,549,000	-	3 $\frac{1}{4}$ %	Series due 1966
1,470,000	-	3 $\frac{1}{4}$ %	Series due 1968
2,035,000	-	2-5/8%	Series due 1971
985,000	-	3-1/8%	Series due 1971
1,000,000	-	3.15%	Series due 1976
1,500,000	-	3.348%	Series due 1976

be and is hereby registered.

6. That The United Gas Improvement Company, as merged and consolidated, shall maintain subsidiary records for each of its following divisions: Allentown-Bethlehem, Harrisburg, Lancaster, Lebanon, Luzerne County, Reading, and Northern Liberties which shall show the original cost of utility plant in service therein, the depreciation and amortization reserves applicable thereto, the cost of materials and supplies carried therefor, the operating revenues and the non-operating revenues earned therein, the direct operating expenses and the direct non-operating expenses incurred in earning said revenues, and an equitable portion of operating and non-operating revenues and expense applicable to two or more of said divisions, exclusive of general administrative expenses and general taxes; and shall submit summaries of said matters, for each division, in each annual report which it will file with us.

7. That The United Gas Improvement Company, as merged and consolidated, shall submit the following information in each annual report which it will file with us: The names of the accounts in which, and the amounts at which, are recorded properties to which it has title that are used exclusively in connection with the operation of the gas works owned by the City of Philadelphia; the amounts of depreciation and amortization reserves applicable to said properties; the amounts of current and prepaid assets and current and accrued liabilities arising from said operation; the amount of management fee received or to be received for the reporting year; and the costs and expenses incurred in earning said fee.

8. That, within 30 days after consummation of the transactions involved in A. 78263 and A. 78264 and issuance of the

securities in respect of which S.C. 1325, S.C. 1326, and S.C. 1327 have been submitted, The United Gas Improvement Company, as merged and consolidated, notify us in writing of the date or dates on which said transactions were consummated and said securities issued.

PENNSYLVANIA PUBLIC UTILITY COMMISSION

B. Frank Morgan
Acting Chairman

ATTEST:

Walter
Secretary

The Chairman being absent did not participate in the vote on this order.