

Decision No. 13263

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of)
SOUTHERN CALIFORNIA EDISON COMPANY,)
a corporation, for authority to issue) Application Number 9874
and sell \$14,000,000.00 face value of)
its refunding mortgage gold bonds)
Series of 6's due 1943.)

Roy V. Reppy, for Applicant

BY THE COMMISSION :

OPINION

Southern California Edison Company asks permission to issue and sell at not less than 95 per cent of their face value \$14,000,000.00 of its refunding mortgage gold bonds, Series 6's due October 1, 1943.

Applicant in its Exhibit Number 3 reports \$11,443,164.06 expended for construction purposes against which no securities have been issued. This amount is segregated in such exhibit as follows :-

Total expenditures for new construction as of November 30, 1923 per Exhibit "C" Application 9802, Decision 13208	\$ 7,078,028.07
December 1923 expenditures for construction	1,853,773.32
January 1924 expenditures for construction	<u>1,691,762.67</u>
Total	\$10,603,564.06
Southern California Edison Company 7% gold debentures dated 1-15-1919 retired 1-15-1924	969,600.00
Shaver Lake Lumber Company 1st. mortgage 5% gold bonds dated 7-15-1919 retired 1-15-1924	<u>250,000.00</u>
Total Carried Forward	\$11,823,164.06

Brought Forward \$11,823,164.06

Deduct proceeds of sale of stock withdrawn
from Feb. 18, 1924 to March 12, 1924 against
construction expenditures under Application
9131, Decision 12332 and Application 9802,
Decision 13208

380,000.00

Total expenditures for new construction against
which no securities have been issued

\$11,443,164.06

D. M. Trott, applicant's Comptroller, testified that
applicant's construction expenditures during February have been about
\$1,300,000.00 and that its construction expenditures during March
will be approximately \$1,400,000.00.

In Application Number 9802 applicant filed a copy of its
1924 budget (Exhibit "D"). The following is a summary of such
budget :-

Big Creek Construction - - - - - \$9,738,000.00

Power Houses No's. 1 and 2	\$ 2,100,000.00
Florence Tunnel	6,179,000.00
Huntington-Shaver Tunnel	700,000.00
Protecting Huntington Lake Dams	250,000.00
Florence Lake	1,000,000.00
Interest Shaver Site	159,000.00
Engineering for future development	100,000.00
Steam gauging	60,000.00
Clearing Huntington Lake	2,000.00
B.C.P.H. No.3 completion	60,000.00

Total . . . \$10,610,000.00

Deduct net credits to amounts expended
prior to 1924 and included in above
items

872,000.00

Remodeling steam plants - - - - - 3,000,000.00

Transmission 220 K.V. - - - - - 2,550,000.00

Miscellaneous system betterments - - - - - 11,000,000.00

Total - - - - - \$26,288,000.00

Applicant's comptroller testified that because of the
prevailing drouth conditions applicant's 1924 budget is now being
revised. The work on Florence Tunnel will be expedited with a re-
sulting increase in the estimated expenditures during 1924. It
is planned at this time not to undertake any work during 1924 on the

Huntington-Shaver Tunnel or in protecting Huntington Lake Dams and to expend on Florence Lake about \$300,000.00 instead of \$1,000,000.00 as originally estimated. The testimony further shows that the amount which the company expects to expend on remodeling steam plants and increasing its steam plant generating capacity will be \$4,000,000.00 instead of \$3,000,000.00. Applicant has agreed to file with the Commission a revised copy of its 1924 budget.

Previous decisions have authorized the company to use stock and bond proceeds to finance expenditures set forth in applicant's 1923 budget. In Exhibit Number 2 applicant reports an expenditure of \$164,477.87 which was not included in its 1923 budget. Applicant asks permission to finance these expenditures through the sale of bonds which it now asks permission to issue.

ORDER

Southern California Edison Company, having applied to the Railroad Commission for permission to issue and sell \$14,000,000.00 of bonds, a public hearing having been held before Examiner Fankhauser and the Railroad Commission being of the opinion that the money, property or labor to be procured or paid for by such issue is reasonably required by applicant and that the expenditures herein authorized are not in whole or in part reasonably chargeable to operating expenses or to income and that this application should be granted as herein provided, therefore ;

IT IS HEREBY ORDERED that SOUTHERN CALIFORNIA EDISON COMPANY be, and it is hereby, authorized to issue and sell at not less than 95 per cent of their face value \$14,000,000.00 of its refunding mortgage gold bonds, Series of 6's, due October 1, 1943, and use the proceeds to finance ~~with~~ part of such expenditures reported in applicant's Exhibit Number 2 and Number 3 filed in this proceeding, and in Exhibit "D" filed in Application Number 9802, as are properly chargeable to capital account under the system of accounts prescribed

