

LEM

Decision No. 19959.

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 and pledge five percent gold)
bonds due in 1951, to the face)
amount of \$756,000.00, secured by)
trust indenture dated November 20,)
1911, from Pacific Light & Power)
Corporation to United States Mort-)
gage and Trust Company.)

ORIGINAL

Application No. 14734

Roy V. Reppy, for applicant.

BY THE COMMISSION:

O P I N I O N

In the above entitled matter Southern California Edison Company has applied to the Railroad Commission for permission to issue \$756,000.00 face value of the bonds secured by the mortgage or deed of trust dated November 20, 1911, from Pacific Light and Power Corporation to United States Mortgage and Trust Company, Trustee.

The application shows that Southern California Edison Company under authority granted by Decision No. 4331 acquired the electric generating and distributing system and other properties of Pacific Light and Power Corporation. These properties are now and were at the time of their acquisition subject to a certain mortgage and deed of trust, dated November 20, 1911 from the Pacific Light and Power Corporation to United States Mortgage and Trust Company. Under such instrument bonds of the aggregate face value

of \$8,064,000.00 have been issued and are now outstanding. However, of such bonds \$2,345,000.00 are owned by applicant and are deposited under its general mortgage of November 1, 1909. Applicant reports that it has assumed the payment of the principal and interest of all bonds secured by and issued under the trust indenture of Pacific Light and Power Corporation and under the terms of that indenture has succeeded to and been substituted for the Pacific Light and Power Corporation with the same effect as if it had been originally named as mortgagor. It appears that under the said trust indenture certain bonds are reserved for the purpose of refunding at or before maturity a like amount of the first mortgage five percent bonds of Pacific Light and Power Company. Applicant reports that it has paid and retired bonds of Pacific Light and Power Company of the total face amount of \$756,000.00 and that it is now entitled to issue bonds of Pacific Light and Power Corporation of the face value of \$756,000.00. It therefore asks permission to issue such bonds and to pledge them when issued with Harris Trust and Savings Bank, the trustee under its general mortgage of November 1, 1909.

It reports in this connection that it has paid and will from time to time pay to United States Mortgage and Trust Company the moneys required by the sinking fund provision of the trust indenture of Pacific Light and Power Corporation. As the trustee from time to time calls for bonds the Harris Trust and Savings Bank will offer for sale the \$756,000.00 of bonds and as such sales are made the purchase price will be paid out of the funds which have been paid by applicant to United States Mortgage and Trust Company to satisfy the sinking fund provisions referred to and will thus be transferred to Harris Trust and Savings Bank and thereafter held subject to the conditions of the general mortgage. It appears that

the \$756,000.00 of bonds, if pledged with Harris Trust and Savings Bank, will not be sold to the public except in the event of foreclosure of the general mortgage.

O R D E R

Southern California Edison Company having applied to the Railroad Commission for permission to issue \$756,000.00 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, therefore,

IT IS HEREBY ORDERED that Southern California Edison Company be, and it hereby is, authorized to issue \$756,000.00 face value of the bonds secured by the mortgage or deed of trust dated November 20, 1911, from Pacific Light and Power Corporation to the United States Mortgage and Trust Company, trustee, and to pledge such bonds with Harris Trust and Savings Bank, trustee, under its general mortgage of November 1, 1909, provided that in the event such bonds are sold because of foreclosure of said general mortgage, the proceeds received thereafter shall be used to pay outstanding indebtedness of applicant.

The authority herein granted is subject to further conditions as follows:-

1. Southern California Edison Company shall keep such record of the issue of the bonds herein authorized as will enable it to

file within thirty days thereafter a verified report, as required by the Railroad Commission's General Order No. 24, which order, insofar as applicable, is made a part of this order.

2. The authority herein granted will become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is \$756.00.

DATED at San Francisco, California, this 29th day of June, 1928.

W. A. ...

W. A. ...

W. A. ...

W. A. ...

W. A. ...
Commissioners.

Fee # 756 ⁰⁰/₁₀₀
RAILROAD COMMISSION
STATE OF CALIFORNIA
JUN 26 1928
W. A. ...
Fee # 756 ⁰⁰/₁₀₀