

Decision No. 22946.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of
 SOUTHERN CALIFORNIA EDISON COMPANY, LTD.,
 a corporation, for authority to issue
 and sell 120,000 shares of its pre-
 ferred stock, Series C, 5-1/2 percent.,
 of the total par value of \$3,000,000.00.

Application No. 16908

Roy V. Reppy and Gail C. Larkin,
 for applicant.

BY THE COMMISSION:OPINION

Southern California Edison Company, Ltd. has applied to the Railroad Commission for an order authorizing it:-

1. To issue and sell at not less than \$24.00 a share, 120,000 shares of its preferred stock, Series C, 5-1/2 percent., of the par value of \$25.00 each and the total par value of \$3,000,000.00;
2. To consolidate the proceeds to be obtained from the sale of said 120,000 shares of stock with the proceeds from the sale of other stock, both common and preferred, heretofore authorized to be issued and sold; and
3. To use the consolidated proceeds to reimburse itself for the cost of selling said stock in an amount not to exceed seventy-five cents a share and to reimburse itself in part for the balance of uncapitalized expenditures shown in Exhibit "E" and to finance, in part, extensions, betterments and additions to applicant's system, as shown in its annual budget for the year 1930.

In Exhibit "A" applicant reports its authorized and outstanding stock, as of August 31, 1930, as follows:-

AMOUNT AND KINDS OF STOCK AUTHORIZED:

Original preferred stock	160,000	shares	par	value	of \$	4,000,000
Preferred-Series "A" 7%	1,080,000	"	"	"	"	27,000,000
Preferred-Series "B" 6%	2,120,000	"	"	"	"	53,000,000
Preferred-Series "C" 5½%	2,640,000	"	"	"	"	66,000,000
Common	4,000,000	"	"	"	"	100,000,000
TOTAL....	10,000,000					\$250,000,000

AMOUNT AND KINDS OF STOCK ISSUED AND OUTSTANDING:

Original preferred stock	160,000	shares	par	value	of \$	4,000,000
Preferred-Series "A" 7%	1,042,938	"	"	"	"	26,073,450
Preferred-Series "B" 6%	1,943,705	"	"	"	"	48,592,625
Preferred-Series "C" 5½%	1,285,064	"	"	"	"	32,126,600
* Common stock	3,226,165	"	"	"	"	80,654,125
Subscribed preferred stock	159,342	"	"	"	"	3,983,550
Subscribed common	181,266	"	"	"	"	4,531,650
TOTAL.....	7,998,480					\$199,962,000

*Proportion of common stock controlled by company through ownership of Pacific Light and Power Corporation stock \$10,836,628, leaving net outstanding \$69,817,497.

It appears that as of August 31, 1930 applicant had shares of stock unsold but authorized to be sold by former orders of the Commission, now in effect, consisting of 1,999 shares of the preferred stock, Series "B", of the total par value of \$49,975.00; 47,407 shares of the preferred stock, Series "C", of the total par value of \$1,185,175.00; and 21,822 shares of the common stock of the total par value of \$545,550.00; making a total of 71,228 shares of the total par value of \$1,780,700.00.

In now making this application for permission to issue and sell additional shares of its Series "C" stock, applicant reports construction expenditures, made and estimated for the balance of 1930, of \$5,721,414.90, which have not been paid or provided for through the issue of stock or bonds. This amount, as shown in Exhibits "H" and "I", was determined as follows:-

Uncapitalized balance, Application No. 16258		\$ 8,157,798.30
Additional expenditures, December, 1929 to August 31, 1930		15,706,050.40
Total		<u>23,863,848.70</u>
Deduct-Stock proceeds withdrawn up to August 31, 1930	\$11,040,000.00	
Bond proceeds (Appl. 16258)	<u>3,699,563.00</u>	14,739,563.00
Uncapitalized expenditures, August 31, 1930		<u>9,124,285.70</u>
Estimated expenditures-Sept. to Dec., 1930		6,000,000.00
Total		<u>\$15,124,285.70</u>
LESS-Proceeds to be derived:		
Unpaid balance on stock subscribed for on August 31, 1930	6,615,670.20	
Securities authorized and unsold on August 31, 1930;		
Preferred Series "B" stock	49,975.00	
Preferred Series "C" stock	1,185,175.00	
Common	545,550.00	
Bonds	<u>1,006,500.00</u>	9,402,870.80
Balance to be financed		<u><u>\$5,721,414.90</u></u>

Applicant has sold stock on the installment payment basis. Not all of the amount due on stock subscriptions will be collected during the remainder of 1930. Moreover, some of the stock, the issue of which the Commission heretofore authorized, may not be sold during the remainder of this year. While applicant will have available for its construction needs moneys represented by the reserves and earnings, we believe that the issue and sale of additional stock by applicant is necessary and should be authorized.

ORDER

Ltd

Southern California Edison Company/having applied to the Railroad Commission for permission to issue stock, the Commission being of the opinion that this is not a matter in which a public hearing is necessary, and that the money, property or labor to be procured or paid for through the issue of such stock is reasonably required for the purposes specified herein, which purposes are not,

in whole or in part, reasonably chargeable to operating expense or to income, therefore,

IT IS HEREBY ORDERED that Southern California Edison Company, Ltd. be, and it hereby is, authorized to issue and sell on or before December 31, 1930, at not less than \$24.00 a share, 120,000 shares of its preferred stock, Series "C", 5-1/2 percent., to consolidate the proceeds with the proceeds from the sale of other stock, both common and preferred, heretofore authorized to be issued and sold, and to use such consolidated proceeds to pay the cost of selling the stock in an amount not to exceed seventy-five cents per share and to reimburse itself in part for the uncapitalized expenditures of \$9,124,285.70 on August 31, 1930, and to finance in part the extensions, betterments and additions to its system during 1930, referred to in the foregoing opinion.

The authority herein granted is subject to the following conditions:-

1. Southern California Edison Company, Ltd. shall keep such record of the stock herein authorized and of the disposition of the proceeds as will enable it to file, on or before the 25th day of each month 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 upon the date hereof.

DATED at San Francisco, California, this 7th day of October 1930.

[Signature]
[Signature]
[Signature]
Commissioners