

Decision No. 24045**ORIGINAL**

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 SOUTHERN CALIFORNIA EDISON COMPANY, LTD., )  
 a corporation, for authority to issue )  
 and sell \$6,600,000.00 face value of its ) Application No. 17675  
 refunding mortgage gold bonds, Series of )  
 4-1/2s, due 1955. )

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

BY THE COMMISSION:

OPINION

In this proceeding Southern California Edison Company, Ltd. asks permission to issue and sell, at not less than their face value and accrued interest, \$6,600,000.00 of its refunding mortgage gold bonds, Series of 4-1/2s, due 1955, and use the proceeds to reimburse in part its treasury on account of the redemption of the bonds, to which reference will hereafter be made.

It is of record that on March 1, 1931 the company redeemed \$5,659,000.00 of first and refunding mortgage five percent bonds of the Pacific Light and Power Corporation, whose properties applicant acquired, and that on August 1, 1931 it redeemed \$10,000,000.00 of its general and refunding mortgage five percent bonds, Series of 1919.

As of August 1, 1931, Southern California Edison Company, Ltd. reports in Exhibit No. 15, \$128,696,000.00 of bonds outstanding. These bonds are made up of the following amounts:

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OUTSTANDING

Southern California Edison Company, Ltd.:

Refunding Mortgage 5s of 1951.....	\$ 55,000,000.00
Refunding Mortgage 5s of 1952.....	32,000,000.00
Refunding Mortgage 5s of 1954.....	19,268,000.00
Refunding Mortgage 4½s of 1955.....	3,600,000.00
General Mortgage 5s of 1939.....	13,360,000.00

Pacific Light & Power Co.:

First Mortgage Gold Bonds due 1942.....	5,233,000.00
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Mentone Power Co.:

First Mortgage Gold Bonds due Dec. 1, 1931...	35,000.00
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Ontario Power Co.:

First Mortgage Bonds due Jan. 1, 1932.....	<u>200,000.00</u>
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Total.....	<u>\$128,696,000.00</u>
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The \$6,600,000.00 of bonds which applicant now proposes to issue are a part of the new series of bonds created by a resolution of its Board of Directors and adopted October 31, 1930. A copy of this resolution is filed as Exhibit No. 2 in Application No. 17003. The bonds are similar in form to the \$5,000,000.00 of bonds, the issue of which the Commission authorized by Decision No. 23148, dated December 10, 1930. The evidence shows that the company to date has sold \$3,600,000.00 of the aforesaid \$5,000,000.00 of bonds. If this application is granted, the remaining \$1,400,000.00 of bonds authorized by the order in Decision No. 23148, dated December 10, 1930, will be sold at the same time the company will sell the \$6,600,000.00 of bonds referred to in this application.

The testimony of D. M. Trott, Vice President of applicant, shows that the company has a tentative offer for \$8,000,000.00 of its 4-1/2 percent refunding mortgage bonds due November 1, 1955. He believes that the company will be able to sell the bonds for not less than par and accrued interest. While the

company asks permission to use the proceeds to reimburse its treasury on account of money expended for the purpose of redeeming the bonds to which reference has been made, D. M. Trott testified that \$7,000,000.00 of cash received from the sale of the bonds will be used to pay \$7,000,000.00 of short term notes and the remainder to finance in part the construction expenditures referred to in Exhibits Nos. 8 and 9. The \$7,000,000.00 of notes were issued on July 27, 1931 to obtain funds to pay in part the \$10,000,000.00 of general and refunding mortgage bonds redeemed on August 1, 1931.

The issue of additional securities to provide applicant with cash to pay its outstanding notes and finance construction expenditures is necessary at this time.

#### O R D E R

Southern California Edison Company, Ltd. having applied for permission to issue \$6,600,000.00 face value of its refunding mortgage gold bonds, Series of 4-1/2s, due 1955, a hearing having been held before Examiner Fankhauser and the Commission being of the opinion that the money, property or labor to be procured or paid for by the issue of such bonds is reasonably required by applicant for the purposes herein stated, and that the expenditures for such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:

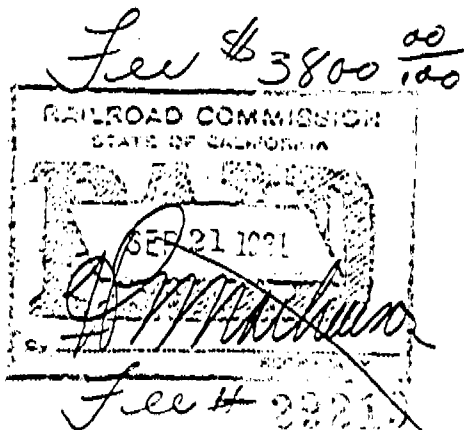
1. Southern California Edison Company, Ltd. be, and it hereby is, authorized to issue and sell, on or before November 1, 1931, at not less than their face value and accrued interest, \$6,600,000.00 of its refunding mortgage gold bonds, Series of 4-1/2s, due 1955, and use the proceeds,

together with the proceeds realized from the sale of \$1,400,000.00 of its refunding mortgage gold bonds, Series of 4-1/2s, due 1955, the issue of which is authorized by the order in Decision No. 23148, dated December 10, 1930, to pay \$7,000,000.00 of outstanding notes referred to in Exhibit "A" filed in this application, and to use the remainder of the proceeds to reimburse its treasury on account of income expended to redeem the bonds referred to in the foregoing opinion.

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 Three Thousand Eight Hundred (\$3,800.00) Dollars.

3. Southern California Edison Company, Ltd. shall keep such record of the issue, sale and delivery of the bonds 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.

DATED at San Francisco, California, this 21st day of September, 1931.



CL Lewis  
Leon Whitely

M B Lewis  
Fred H. Stewart  
Commissioners.