

Decision No. 24888

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of
SOUTHERN CALIFORNIA EDISON COMPANY,
a corporation, for authority to issue
and sell 50,000 shares of its Common
stock.

Application No. 2743

In the Matter of the Application of
SOUTHERN CALIFORNIA EDISON COMPANY,
a corporation, for authority to issue
and sell 25,000 shares of its Common
stock.

Application No. 4790

In the Matter of the Application of
SOUTHERN CALIFORNIA EDISON COMPANY,
a corporation, for authority to issue
and sell 50,000 shares of its Common
stock.

Application No. 5312

In the Matter of the Application of
SOUTHERN CALIFORNIA EDISON COMPANY,
a corporation, for authority to issue
and sell 100,000 shares of its Common
stock.

Application No. 6426

In the Matter of the Application of
SOUTHERN CALIFORNIA EDISON COMPANY,
a corporation, for authority to issue
and sell 75,000 shares of its Common
stock.

Application No. 7373

In the Matter of the Application of
SOUTHERN CALIFORNIA EDISON COMPANY,
a corporation, for authority to issue
and sell 50,000 shares of its Common
stock.

Application No. 7840

In the Matter of the Application of
SOUTHERN CALIFORNIA EDISON COMPANY,
a corporation, for authority to issue
and sell 20,000 shares of its Common
stock.

Application No. 9802

In the Matter of the Application of
SOUTHERN CALIFORNIA EDISON COMPANY,
a corporation, for authority to issue
and sell 100,000 shares of its
Preferred stock, Series "B", 6%.

Application No. 11024

In the Matter of the Application of
SOUTHERN CALIFORNIA EDISON COMPANY,
a corporation, for authority to issue
and sell 100,000 shares of its
Preferred stock, Series "B", 6%.

Application No. 11802

<p>In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, for authority to issue and sell 400,000 shares of its Preferred stock, Series "B", 6%.</p>	<p>)))))</p>	<p>Application No. 12870</p>
<p>In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, for authority to issue and sell 400,000 shares of its Preferred stock, Series "B", 6%.</p>	<p>)))))</p>	<p>Application No. 13603</p>
<p>In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, for authority to issue and sell 400,000 shares of its Preferred stock, Series "C", 5½%.</p>	<p>)))))</p>	<p>Application No. 13907</p>
<p>In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, for authority to issue and sell 400,000 shares of its Preferred stock, Series "C", 5½%.</p>	<p>)))))</p>	<p>Application No. 14187</p>
<p>In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, for authority to issue and sell 400,000 shares of its Preferred stock, Series "C", 5½%.</p>	<p>)))))</p>	<p>Application No. 14536</p>
<p>In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, for authority to issue and sell 140,000 shares of its Common stock.</p>	<p>)))))</p>	<p>Application No. 14614</p>
<p>In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, for authority to issue and sell 80,000 shares of its Preferred stock, Series "C", 5½%.</p>	<p>)))))</p>	<p>Application No. 14615</p>
<p>In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, for authority to issue and sell 400,000 shares of its Preferred stock, Series "C", 5½%.</p>	<p>)))))</p>	<p>Application No. 15451</p>
<p>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 Preferred stock, Series "C", 5½%.</p>	<p>)))))</p>	<p>Application No. 16908</p>
<p>In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY LTD., a corporation, for authority to issue and sell 312,000 shares of its Common stock.</p>	<p>)))))</p>	<p>Application No. 17130</p>

LBM

BY THE COMMISSION:

SUPPLEMENTAL ORDER

Southern California Edison Company, Ltd. has applied to the Railroad Commission for authority to use proceeds realized, or which it will realize, from the sale of common and preferred stocks authorized to be issued by orders in the above entitled matters to finance in part the cost of extensions, betterments and additions to its properties during 1932.

The company has filed with the Commission a copy of its annual budget showing estimated expenditures for the year 1932, reported chargeable to capital account, in the amount of \$11,397,419. as follows:

Dams, reservoirs and diversions.....	\$ 12,124.
Hydraulic generation plants	147,390.
Steam generation plants	36,421.
Transmission substations	319,280.
Transmission lines	1,634,493.
Distribution lines	4,617,251.
Distribution substations	1,621,834.
District offices and equipment	353,312.*
Telephone lines and equipment	60,015.
Transportation department	140,325.
General stores department	9,000.
Shop, meter and test department	9,613.
Engineering, investigations, tests, etc....	13,500.*
General office building and equipment	70,000.
General contingent	1,000,000.
Less-Amount(included in * items above) chargeable to overhead and clearing accounts	(22,875.)
Overhead	1,375,736.
TOTAL.....	<u>\$11,397,419.</u>

The company does not at this time desire permission to finance the cost of three items included above, as follows:

General contingent.....	\$1,000,000.
66 KV. lines-construction into new territory	1,120,000.
Distribution substation, Eastern Division- construction of nine new substations to pick up load in new territory....	<u>750,000.</u>
TOTAL.....	<u>\$2,870,000.</u>

Deducting the \$2,870,000.00 from the \$11,397,419.00 and adjusting the overhead expenses because of the omission of the \$2,870,000.00, leaves a balance of estimated construction expenditures of \$8,401,683.00.

It is of record that applicant has sold stock on installment payment bases on which there is due \$4,765,703.86. It estimates that of this amount it will collect during 1932 the sum of \$915,000. In addition, the Commission by former decisions, and which decisions are now in effect, authorized the company to issue and sell \$1,021,900. par value of stock which it has not yet sold. This consists of the following:-

Preferred Series "B" 6%	7,167 shares.....	\$179,175.
Preferred Series "C" 5%.....	16,060 shares	401,500.
Common	17,649 shares.....	441,225.
TOTAL.....	<u>40,876 shares</u>	<u>\$1,021,900.</u>

Considering applicant's estimated construction expenditures for 1932, and the relation between such expenditures on the one hand and the amount which it has received or may receive from the sale of stock during 1932, and applicant's general financial condition, as reflected by the testimony submitted at the hearing had on March 11th before Examiner Fankhauser, it appears that its request to use stock proceeds should be granted and that the expenditures of proceeds herein authorized are reasonably required for the purpose specified, which purpose is not, in whole or in part, reasonably chargeable to

operating expense or to income, therefore,

IT IS HEREBY ORDERED, that the orders in decisions in the above numbered and entitled applications be, and they hereby are, modified so as to permit Southern California Edison Company, Ltd. to use the proceeds received and to be received through the issue and sale of the stock authorized by said orders to finance in part the cost of the extensions, betterments and additions of \$8,401,683.00 described in its 1932 annual budget and referred to herein, provided that only such expenditures as are properly chargeable to fixed capital accounts under the Uniform System of Accounts prescribed by the Commission may be so financed.

IT IS HEREBY FURTHER ORDERED, that the orders in decisions in said applications shall remain in full force and effect, except as modified by this supplemental order.

DATED at San Francisco, California, this 21st day of March, 1932.

Clarence
Leon White
W. A. Cunniff
W. B. Harrison
Fred G. Stewart
Commissioners.