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Decision No. 6864

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of)	
SOUTHERN CALIFORNIA EDISON COMPANY,)	
a corporation, for authority to issue)	<u>Application Number 5119.</u>
and sell bonds in the amount of)	
\$7,500,000.00.)	

Roy V. Reppy, for applicant.

EDGERTON, Commissioner.

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O P I N I O N .

SOUTHERN CALIFORNIA EDISON COMPANY asks permission to issue \$7,500,000.00 of its general and refunding mortgage 6 per cent 25-year gold bonds of the "Series of 1919", at not less than 93% of their face value plus accrued interest, and use the proceeds for the purposes hereinafter indicated.

Applicant has filed with the Commission statements in which it reports uncapitalized expenditures on capital account as follows:

Prior to August 1, 1919,.....	\$325,034.52
During August, 1919,.....	862,405.24
During September, 1919,.....	980,322.10
During October, 1919,.....	1,106,336.08
Total,.....	<u>\$3,274,097.94</u>

The expenditures prior to August 1, applicant intends to finance through the issue of common stock.

Applicant has also filed with the Commission statements in which it reports its estimated expenditures for the construction of improvements, extensions, additions and betterments to its properties for the fourteen months ending December 1, 1920, at \$13,280,393.92, which amount added to the reported August, September and October expenditures makes a total of \$16,229,457.34. It is for the purpose of securing

funds necessary to pay in part for these expenditures that applicant asks permission to issue the \$7,500,000.00 of bonds.

Applicant is now engaged in constructing a new power plant to be known as "Kern River No. 3". According to its reports, this plant will have a maximum generating capacity of 32,000 kilo watts or the equivalent of 43,000 horse power. The August, September and October expenditures reported at \$2,949,063.42, and to which reference is made above, includes \$1,860,417.53 expended on Kern River No. 3.

Applicant asks permission to use forthwith the proceeds from the sale of \$2,949,063.42 of bonds to finance its August, September and October expenditures on capital account and pay notes or accounts payable referred to in "Exhibit B". The remainder of the proceeds applicant agrees to deposit in a special fund or funds and expend them only for such purposes as the Railroad Commission may from time to time authorize in a supplemental order or orders.

I herewith submit the following form of Order:

O R D E R.

SOUTHERN CALIFORNIA EDISON COMPANY having applied to the Railroad Commission for permission to issue bonds, as indicated in the foregoing Opinion, a public hearing having been held 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 for the purpose or purposes specified in this Order, and that the expenditures for such purpose or purposes are not in whole or in part reasonable chargeable to operating expenses or to income;

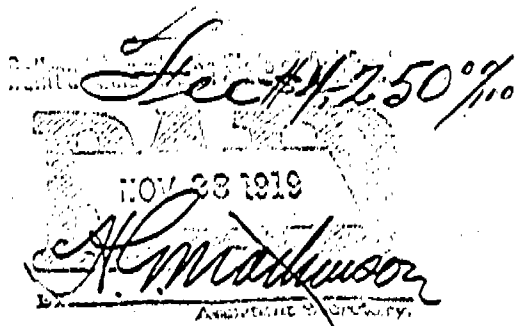
IT IS HEREBY ORDERED that SOUTHERN CALIFORNIA EDISON COMPANY be, and it is hereby, granted authority to issue \$7,500,000.00 of its general and refunding mortgage 6 per cent 25-year gold bonds of "Series of 1919", subject to the following conditions:

- 1.--The bonds shall be sold by applicant for cash at not less than 93 per cent of their face value plus accrued interest.

- 2.--Of the bonds herein authorized to be issued, \$2,949,063.42 face value, may be used to finance August, September and October expenditures on capital account, and the proceeds used to pay part of the notes and accounts payable set forth in applicant's Exhibit "B".
- 3.--The proceeds from the sale of the remainder of the bonds herein authorized to be issued shall be deposited in a special fund or funds and expended only for such purposes as the Railroad Commission may authorized in a supplemental order or orders.
- 4.--Southern California Edison Company shall keep such record of the issue and sale 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, in so far as applicable, is made a part of this order.
- 5.--The authority herein granted to issue bonds will not become effective until applicant has paid the fee prescribed in the Public Utilities Act.
- 6.--The authority herein granted to issue bonds will apply only to such bonds as may be issued and sold on or before June 30, 1920.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 24th day of November, 1919



Edwin O. Edgerton
H. T. Brundage
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 Commissioners.