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ORIGINAL

Decision No. 8579.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SOUTHERN CALIFORNIA EDISON COMPANY,)
a corporation, for an order authori-)
zing it to issue and sell 100,000)
shares of its common capital stock)
of the par value of \$100.00 each.)

Application No. 6426

Roy V. Reppy for applicant.

BY THE COMMISSION:

O P I N I O N.

SOUTHERN CALIFORNIA EDISON COMPANY asks permission to issue and sell at not less than \$90.00 per share \$10,000,000.00 (100,000 shares) of its common capital stock.

In Exhibits "3" and "4" filed in Application No. 6426, applicant reports that up to November 30, 1920, it expended for additions and betterments the sum of \$8,099,260.69. The engineering department of the Commission has checked these expenditures and finds them to be reasonable. In Decision No. 8539, dated January 12, 1921, in Application No. 6424, the Commission authorized applicant to pledge \$3,000,000.00 of bonds to secure \$2,000,000.00 of short term notes and use the \$2,000,000.00 to finance in part the expenditures reported in Exhibits "3" and "4". Deducting the \$2,000,000.00 from the \$8,099,260.69, leaves a balance of \$6,099,260.69 to be financed through subsequent issues of stock, bonds or notes. The testimony shows that applicant estimates its expenditures for hydroelectric development during 1921 at \$8,000,000.00 and expenditures for general additions and betterments to take care of the ordinary increase in its business at \$4,000,000.00

to \$6,000,000.00. To permanently finance properties already constructed and to carry forward its construction program during 1921, applicant reports that it will have to raise approximately \$18,000,000, in addition to the \$2,000,000. which it intends to secure through the deposit of bonds.

O R D E R

SOUTHERN CALIFORNIA EDISON COMPANY having applied to the Railroad Commission for permission to issue \$10,000,000.00 of common stock, a public hearing having been held, and the Commission being of the opinion that the money, property or labor to be procured or acquired through the issue of such stock is reasonably required by applicant and that the expenditures, which are herein authorized and which may be hereafter authorized, are not in whole or in part reasonably chargeable to operating expenses or to income;

IT IS HEREBY ORDERED, that SOUTHERN CALIFORNIA EDISON COMPANY be, and it is hereby, authorized to issue \$10,000,000.00 of its common capital stock.

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

- 1.--The stock herein authorized to be issued, shall be sold by applicant for not less than \$90.00 per share.
- 2.--Of the proceeds realized from the sale of the stock, not exceeding \$6,099,260.69 may be used by applicant to finance in part the cost of the plant extensions, additions and betterments referred to in Exhibits "3" and "4" in Application No. 6425, or for such other purposes as the Railroad Commission may authorize in a supplemental order or orders.

- 3.--The remainder of the proceeds obtained from the sale of the stock shall be deposited in a special fund and expended only for such purposes as the Railroad Commission may authorize in a supplemental order or orders.
- 4.--Southern California Edison Company shall keep such record of the issue and sale 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, in so far as applicable, is made a part of this Order.
- 5.--The authority herein granted will apply only to such stock as may be issued and sold on or before November 30, 1921.

Dated at San Francisco, California, this 24th day of January, 1921.

H. J. Longland
Frank W. Wynn
H. B. Burdick
Wesley Norton
Commissioners.