

ORIGINAL

Decision No. 9826.

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 an order autho- )  
rizing it to issue and sell 75,000 ) Application No. 7373  
shares of its common capital stock )  
of the par value of \$100.00 each. )

Roy V. Reppy for Applicant.

BENEDICT, Commissioner.

O P I N I O N

SOUTHERN CALIFORNIA EDISON COMPANY asks permission to issue and sell at not less than \$94.00 per share net, 75,000 shares (\$7,500,000.00) of common stock and use the proceeds obtained from the sale of the stock for such purposes as the Railroad Commission may hereafter authorize in a supplemental order or orders.

SOUTHERN CALIFORNIA EDISON COMPANY has an authorized stock issue of \$100,000,000.00, divided into \$4,000,000.00 of first preferred, \$12,500,000.00 of second preferred and \$83,500,000.00 of common. In Exhibit "1", filed in the above entitled proceeding, applicant reports stock outstanding and subscribed for on September 30, 1921, as follows:-

First Preferred,.....	\$4,000,000.00
Second Preferred,.....	12,029,900.00
Common Outstanding* .....	34,383,700.00
Common Subscribed,.....	4,672,200.00
Total,.....	<u>\$55,085,800.00</u>

(\*) - Proportion of common stock controlled by company through ownership of Pacific Light and Power Corporation stock \$10,836,628.00, leaving net outstanding \$23,547,072.00.

Applicant is now paying dividends at the rate of 8 per cent. per annum on its outstanding first preferred and common stock and dividends at the rate of 5 per cent. per annum on its outstanding second preferred stock.

As of September 30, 1921, applicant reports its funded debt at \$72,626,000.00. This debt consists of \$65,626,000.00 of bonds and \$7,000,000.00 of debentures. Applicant has also guaranteed the payment of \$871,000.00 of Shaver Lake Lumber Company bonds. Its current liabilities are reported at \$6,771,588.26, of which \$3,341,875.22 is represented by notes payable.

A.N. Kemp, a vice-president of the Southern California Edison Company, testified that the company's budget for 1922 calls for an expenditure of \$19,750,000.00. Of this amount approximately \$16,000,000.00 will be needed for new construction, \$1,000,000.00 to refund debentures due January 15, 1922, about \$2,500,000 to pay Edison Electric Company of Wyoming bonds due September 1, 1922 and \$250,000.00 may be needed to pay Shaver Lake Lumber Company bonds. It is for the purpose of enabling applicant to go forward with its construction work and to meet its maturing obligations that it asks permission to issue and sell \$7,500,000.00 of common stock. Applicant has not submitted a detailed statement of its proposed construction expenditures, but has agreed not to disburse any of the proceeds from the sale of stock until such time as the Commission by supplemental order or orders may authorize the disbursement of the proceeds.

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 and sell 75,000 shares (\$7,500,000.00 par value) 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 paid for by such issue is reasonably required by applicant and that this application should be granted subject to the conditions of this Order;

IT IS HEREBY ORDERED, that SOUTHERN CALIFORNIA EDISON COMPANY be, and it is hereby, authorized to issue and sell, for cash, at not less than \$94.00 per share 75,000 shares (\$7,500,000.00 par value) of its common capital stock.

The authority herein granted is subject to further conditions as follows:-

- 1.--All of the proceeds obtained from the sale of the stock herein authorized shall be placed and held in applicant's treasury, or in a special fund, and shall be disbursed only for such purposes as the Railroad Commission may authorize in a supplemental order or orders. The proceeds may be consolidated with the proceeds obtained from the sale of stock, the issue of which has heretofore been authorized by the Railroad Commission.
- 2.--Southern California Edison Company shall keep such record of the issue, sale and delivery of the stock herein authorized and of the disposition of the proceeds as will enable it to file on or before the twenty-fifth 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.
- 3.--The authority herein granted will apply only to such stock

as may be issued, sold and delivered on or before  
October 15, 1922.

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 30<sup>th</sup>  
day of November, 1921.

H. H. Brundage

H. D. Howard

J. W. Martin

Chas. H. Powell

J. T. Hendrick

Commissioners.