

LBM

Decision No. 29394

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation)
on the Commission's own motion of)
a proposed classification of ac-)
counts for electrical corporations)
having annual operating revenues)
of more than \$250,000.)

Case No. 1845

ORIGINAL

BY THE COMMISSION:

SECOND SUPPLEMENTAL ORDER

The Railroad Commission by its order in Decision No. 11353 dated December 13, 1922, adopted and prescribed a system of accounts for electric utilities which is substantially the same as that prescribed by the Federal Power Commission for licensees. The Federal Power Commission by its Order No. 42 adopted June 16, 1936 prescribed a new system of accounts effective January 1, 1937 for public utilities and licensees, subject to the provisions of the Federal Power Act. This system of accounts differs in several respects from that now prescribed by the Railroad Commission.

The Southern California Edison Company Ltd. in a petition filed on December 10, 1936 reports that it holds and operates important elements of its hydro-electric generating and transmission properties under licenses issued by the Federal Power Commission under the Federal Power Act. It requests that it be permitted to keep its accounts for its electric properties in accordance with the system of accounts prescribed by the Federal Power Commission, effective on and after January 1, 1937, and that it be relieved from the order of the Commission in said Decision No. 11353 dated December 13, 1922.

The Commission has considered the request of Southern California Edison Company Ltd. It has for several reasons, none of

which go to the provisions of the new system of accounts, felt that it should not at this time adopt the Federal Power Commission's new system of accounts. At a later date it will consider the adoption of that system of accounts. In the meantime we believe that the request of Southern California Edison Company Ltd. should be granted, subject to the condition that the Commission reserves the right, with or without notice to the company, to amend or annul this second supplemental order and require the company to comply with such systems of accounts as the Commission may prescribe.

The Commission heretofore by Decision No. 27856, dated March 27, 1935, as amended; by Decision No. 28035, dated June 12, 1935; and by Decision No. 28221, dated September 12, 1935, as amended; amended Decision No. 11353, dated December 13, 1922, so as to permit the company to amortize in the future, subject to the conditions of said decisions, the bond discount, expense and premiums mentioned in said decisions. The permission therein granted is not intended to set aside the permission given by said decisions, or amend said decisions except insofar as it is necessary to transfer the balance of said discount, expense and premium to Account 140 "Unamortized debt discount and expense".

IT IS HEREBY ORDERED that, subject to the aforementioned reservations, the Commission's order in Decision No. 11353, dated December 13, 1922, be, and the same is hereby, modified so as to permit Southern California Edison Company Ltd., effective January 1, 1937, to keep its accounts and records in accordance with the system of accounts for public utilities and licensees prescribed by the Federal Power Commission under its Order No. 42, or as the same may be amended from time to time, and that said Southern California Edison Company Ltd. be relieved on and after January 1, 1937 from keeping its accounts and records in accordance with the uniform system of accounts

for electric corporations prescribed by the order in said Decision No. 11353, dated December 13, 1922, provided that the Commission reserves the right to amend or annul this order, with or without notice to Southern California Edison Company Ltd., and require said Southern California Edison Company Ltd. to comply with such system of accounts as the Commission may prescribe.

IT IS HEREBY FURTHER ORDERED that Decision No. 27856, dated March 27, 1935, as amended; Decision No. 28035, dated June 12, 1935; and Decision No. 28221, dated September 12, 1935, as amended; be, and the same are hereby amended so as to permit Southern California Edison Company Ltd. to transfer to Account 140 "Unamortized debt discount and expense", the unamortized balance of discount, expense and premium referred to in said decisions. Except as modified by this Second Supplemental Order, said decisions shall remain in full force and effect.

DATED at San Francisco, California, this 27th day of December, 1936.

M. B. Lewis
Leon C. Whelan

Walter J. Moore

Commissioners.