

ORIGINAL

Decision No. 40229

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
	:	
THE CALIFORNIA OREGON POWER COMPANY	)	
	:	
for an order of the Public Utilities	)	
Commission of the State of California	:	
authorizing:	)	Application
	:	No. 28303
(1) The issue and sale of 60,000	)	
shares of Preferred Stock, and	:	
	)	
(2) The issue and sale of 30,000	:	
shares of Common Stock.	)	
-----	:	

FIRST SUPPLEMENTAL ORDER

The California Oregon Power Company, in its second amendment to this application, reports that Standard Gas and Electric Company, owner and holder of all of applicant's common stock now issued and outstanding, proposes (subject to the approval of the Securities and Exchange Commission) to acquire not less than 3,000 shares (\$300,000 par value) of applicant's Six Percent Preferred Stock, Series of 1927, for the purpose of making a capital contribution to applicant in an amount equal to the par value of the stock so contributed, on condition that the same shall be used by applicant for the purpose of writing off the discount and expense attributable to the stock contributed and the balance thereof be applied against the premium applicable to the redemption of the remaining shares of such Six Percent Preferred Stock, Series of 1927. Applicant proposes to charge to earned surplus the balance of the premium payment together with the discount and expense attributable to said Six Percent Preferred Stock, Series of 1927. It

also proposes to charge to earned surplus the unamortized debt discount and expense applicable to bonds not presently outstanding. We have no objection to the proposed book entries.

The order in Decision No. 40173, dated April 15, 1947, among other things, authorizes applicant to issue, subject to the provisions of the order, 30,000 shares of its common stock. Because of said capital contribution applicant finds it necessary to issue only 18,000 shares of common stock. It therefore requests the Commission to amend its order in Decision No. 40173 accordingly.

The Commission has considered applicant's requests and believes that they should be granted, therefore,

IT IS HEREBY ORDERED that paragraph "2" of the order in Decision No. 40173, dated April 15, 1947, be, and the same is hereby, amended to read:

"2. The California Oregon Power Company, after the effective date hereof and on or before September 30, 1947, may issue and sell, at a price to be fixed by a supplemental order or orders, 60,000 shares of its \_\_\_% Cumulative Preferred Stock of the par value of \$100 each, and 18,000 shares of its Common Stock of the par value of \$20 each, and use the proceeds to provide for the cost of redeeming such of its outstanding 45,761 shares of said Six Percent Preferred Stock, Series of 1927, as shall not have been surrendered as a capital contribution, to reimburse its treasury for moneys expended from income for additions and betterments to its utility properties, to pay indebtedness and to finance additions and betterments to its properties."

IT IS HEREBY FURTHER ORDERED that The California Oregon Power Company shall use the capital contribution of the shares of Six Percent Preferred Stock, Series of 1927, by Standard Gas and Electric Company, to write off discount and expense attributable to the contributed stock, and shall use the balance thereof to write off premium applicable to the redemption of the remaining shares of such Six Percent Preferred Stock, Series of 1927. The balance of such premium, together with the discount and expense attributable to said Six Percent Preferred Stock, Series of 1927, surrendered or redeemed and the expense of redemption shall be charged to earned surplus. Applicant may also charge to earned surplus the unamortized debt discount and expense applicable to bonds not presently outstanding.

IT IS HEREBY FURTHER ORDERED that this First Supplemental Order shall be effective upon the date hereof.

Dated at San Francisco, California, this 6<sup>th</sup> day of May, 1947.

Harold A. Kula  
James S. Powell  
R. Z. ...  
... Potter  
 Commissioners