

Decision No. 40393

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:)

(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.)
-----)

ORIGINAL

Application
No. 28303

SECOND SUPPLEMENTAL ORDER

The Commission by Decision No. 40173, dated April 15, 1947, as amended by Decision No. 40229, dated May 6, 1947, authorized The California Oregon Power Company to issue and sell 60,000 shares of a new series of Preferred Stock designated as " Cumulative Preferred Stock" of the par value of \$100 per share, and 18,000 shares of Common Stock of the par value of \$20 per share, such shares to be sold at competitive bidding and at prices to be approved by supplemental order, or orders, of the Commission.

The sale by Applicant of the 18,000 shares of Common Stock is to be made in connection with the sale by Standard Gas and Electric Company of all of the shares of Common Stock of Applicant now owned by it, being all of the presently outstanding shares of said Common Stock, which as authorized by said orders, are to be reclassified from 312,000 shares without par

value into 390,000 shares of \$20 par value.

Public invitations for bids for said shares of Preferred Stock and said shares of Common Stock were published in The Wall Street Journal in the City of New York on May 13, 1947, inviting proposals for the purchase of said shares of stock to be tendered on May 20, 1947. Applicant reports that prior to May 20, 1947, it and Standard Gas and Electric Company were advised by representatives of the various groups who were contemplating bidding for said shares of stock that because of disturbed market conditions no bids would be submitted for the said shares of Preferred Stock and that any bid for the shares of Common Stock would be unsatisfactory. Thereafter, the time to receive bids was postponed to June 10, 1947. Recently the date for bidding for the said shares of Preferred Stock has been postponed to June 17, 1947. Until said shares of Preferred Stock are sold, Applicant will not redeem its presently outstanding Six Percent Preferred Stock, Series of 1927.

The sale of said 18,000 shares (par value \$360,000) as an independent transaction is not subject to the competitive bidding order of this Commission. If the Securities and Exchange Commission waives the requirements of its competitive bidding rule (U-50) insofar as the sale of said shares of Common Stock are concerned, Applicant and Standard Gas and Electric Company will undertake negotiations for the sale of said shares of Common Stock. Applicant asks the Commission to waive the requirement of its competitive bidding order in respect of the sale of said 18,000 shares of Common Stock, or, in the alternative, find that such sale, because the proceeds will be less than \$1,000,000, is

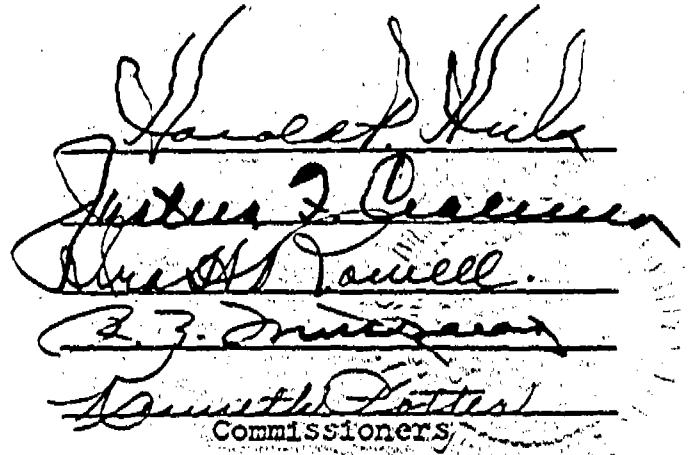
not subject to the provisions of its competitive bidding order.

The Commission has considered Applicant's request and is of the opinion that the sale of said 18,000 shares of Common Stock as now proposed by Applicant is not subject to the provisions of the order in Decision No. 38614, dated January 15, 1946, therefore,

IT IS HEREBY ORDERED that the order in Decision No. 40173, dated April 15, 1947, as amended by Decision No. 40229, dated May 6, 1947, is hereby further amended by striking from said order the requirement that The California Oregon Power Company sell said 18,000 shares of Common Stock pursuant to the requirements of the order in Decision No. 38614, dated January 15, 1946.

IT IS HEREBY FURTHER ORDERED that this Second Supplemental Order is effective upon the date hereof.

Dated at San Francisco, California, this 10th day of June, 1947.


Commissioners