

ORIGINALDecision No. 41280

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)

SAN DIEGO GAS & ELECTRIC COMPANY,)

a corporation, for authority to is-)
sue and sell \$10,000,000 principal)
amount of its First Mortgage Bonds,)
Series C due 1978.)
-----)Application
No. 29079(First Supplemental and
Second Supplemental
Applications)SECOND SUPPLEMENTAL ORDER

The Commission by Decision No. 41254, dated February 24, 1948, authorized San Diego Gas & Electric Company, among other things, to issue and sell \$10,000,000 principal amount of its First Mortgage Bonds, Series C due 1978, subject to the conditions that the authority to issue and sell such bonds will become effective when the Commission has entered a supplemental order fixing the price at which San Diego Gas & Electric Company may sell said bonds, and when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act. Applicant has heretofore paid such fee.

By said Decision No. 41254, the Commission also authorized applicant to execute a Second Supplemental Indenture in, or substantially in, the same form as the indenture on file in this application as Exhibit "D". In its supplemental application filed on March 4, applicant reports that it has made certain changes in said Second Supplemental Indenture in order that it will comply with the Trust Indenture Act of 1939. A copy of the revised Second Supplemental Indenture is attached as Exhibit "A" to said supplemental application filed on March 4. We find it in satisfactory

form and believe that applicant should be authorized to execute and deliver the same in lieu of the Supplemental Indenture referred to in said Decision No. 41254.

Applicant in a supplemental application filed this date reports that it published invitations for the purchase of said \$10,000,000 of bonds, and that the bids were opened at 8:30 a.m. on March 9, 1948, at the office of Allen L. Chickering, vice president of applicant, at Room 1200, 111 Sutter Street, San Francisco, California. Applicant further reports that it received seven bids for said bonds, and that it accepted the highest bid, namely, that of the group headed by Halsey, Stuart & Co. Inc., at 100.8133% of the principal amount of said bonds plus accrued interest from March 1, 1948, to the date of delivery and payment of the bonds. Said bonds will bear interest at the rate of 3%, payable semi-annually. Applicant asks permission to sell said bonds at that price.

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

IT IS HEREBY ORDERED as follows:

1. San Diego Gas & Electric Company may issue and sell, on or before April 1, 1948, at 100.8133% of the principal amount thereof plus accrued interest from March 1, 1948, to the date of delivery and payment thereof, said \$10,000,000 principal amount of First Mortgage Bonds, Series C due 1978, bearing interest at the rate of 3% per annum, payable semi-annually; said bonds may be initially issued in temporary form and be replaced with definitive bonds when ready.

2. San Diego Gas & Electric Company may execute and deliver a Second Supplemental Indenture in, or substantially in, the same form as the Second Supplemental Indenture attached as Exhibit "A" to applicant's supplemental application filed March 4, 1948, said Supplemental Indenture to be in lieu of the Supplemental Indenture referred to in said Decision No. 41254, dated February 24, 1948.

3. The authority herein granted is effective upon the date hereof.

Dated at San Francisco, California, this 9th day of March, 1948.

A. J. Anderson
Justin F. Green
Wm. H. Russell
Harold F. Kula
Reginald W. Fetter
Commissioners