

ORIGINAL

Decision No. 45249

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 issue)
 and sell 325,000 shares of its Cumula-)
 tive Preferred Stock, _____% Series,)
 \$20 par value, and for an order of this)
 Commission exempting Applicant from the)
 requirement that such shares be sold at)
 public bidding.)
 -----)

Application
 No. 31958
 (First Supplemental)

FIRST SUPPLEMENTAL ORDER

On December 27, 1950, the Commission entered Decision No. 45189 in the above entitled matter, authorizing San Diego Gas & Electric Company to issue and sell 325,000 shares of preferred stock at a price to be fixed in a supplemental order.

Applicant now reports, in its first supplemental application filed on January 15, 1951, that it has entered into an agreement to sell said shares of stock, to be designated as Cumulative Preferred Stock, 4.40% Series, \$20 par value, at a price of \$20.40 per share, plus accrued dividends from January 1, 1951, and it has requested the Commission to authorize the sale at that price.

The first supplemental application shows that due to the creation of this new series of preferred stock⁽¹⁾ it is appropriate for it to adopt new forms of stock certificates for each of its other series of preferred stock and for its common stock, as well as for the new series. Applicant has filed, as Exhibit E, a copy of the form of certificate it proposes to use to represent its new

(1) At this time applicant has outstanding shares of Cumulative Preferred Stock, 5% Series, and Cumulative Preferred Stock, 4½% Series.

series of preferred stock and it reports that until exhaustion of the present supply of common stock certificates and certificates for Cumulative Preferred Stock, 5% Series and $4\frac{1}{2}\%$ Series, it proposes to overprint diagonally in red on the Summary of Preferences, Privileges and Restrictions printed on the reverse side of such forms of certificates, the following:

"On January 12, 1951, the Board of Directors, by resolution, provided for a series of Cumulative Preferred Stock, designated 'Cumulative Preferred Stock, 4.40% Series, \$20 par value', and fixed the number of shares constituting such series at 325,000 shares, the dividend rate at 4.40% of the par value thereof, the involuntary liquidation preference at \$20 per share, and the voluntary liquidation preference and the redemption prices at \$21.80 per share to and including January 1, 1956, \$21.60 per share thereafter to and including January 1, 1961, \$21.40 per share thereafter to and including January 1, 1966, and \$21 per share thereafter. The said series is not entitled to any conversion rights."

Upon the exhaustion of the existing supply of said certificates, as so overprinted, it is proposed that the new certificate forms for the Cumulative Preferred Stock, 5% Series and $4\frac{1}{2}\%$ Series, and the Common Stock, will be identical as to face with the existing Common Stock certificate form and the Cumulative Preferred Stock, 5% Series and $4\frac{1}{2}\%$ Series certificate forms, respectively, and the back side of the said certificate forms will be identical with the back side of the proposed certificate for the Cumulative Preferred Stock, 4.40% Series, \$20 par value. Applicant asks the Commission's approval of the new forms of stock certificates.

The Commission has considered applicant's supplemental application and is of the opinion that its requests should be granted; therefore,

IT IS HEREBY ORDERED as follows:

1. San Diego Gas & Electric Company may issue and sell, at the price of \$20.40 per share, plus accrued dividends from

January 1, 1951, the 325,000 shares of its Cumulative Preferred Stock, 4.40% Series, \$20 par value, and use the proceeds for the purposes set forth in the original application herein, as amended, and for the purpose of paying indebtedness, reported at \$4,000,000, now owing under its loan agreement.

2. San Diego Gas & Electric Company, from time to time, may issue stock certificates similar in form to the stock certificates set forth or referred to in its first supplemental application on file in this proceeding, with such alterations as therein are proposed.

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

Dated at San Francisco, California, this 16th day of January, 1951.

R. E. Anderson
Justice J. C. Cramer
Harold A. Kula
Frederick P. Pottel

Commissioners