

ORIGINAL

Decision No. 50230

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)	
of CALIFORNIA ELECTRIC POWER	:	
COMPANY for Authority to Refund)	
its Obligation to Bank of America	:	Application
National Trust and Savings Associ-)	No. 35546
ation by Renewing Short-Term	:	
Promissory Notes.)	
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OPINION AND ORDER

This is an application for an order of the Commission authorizing California Electric Power Company to issue its unsecured promissory notes in the aggregate principal amount of not exceeding \$5,750,000 for the purpose of refunding outstanding indebtedness.

The application shows that on May 1, 1953, applicant entered into a loan agreement with Bank of America National Trust and Savings Association providing for a revolving credit of \$9,000,000, to April 30, 1955, with borrowings under the credit to be represented by promissory notes payable not more than 12 months after the dates of issue. The application further shows that at April 30, 1954, applicant had outstanding under the loan agreement its notes in the total principal amount of \$6,750,000 which it had issued in the temporary financing of additions, betterments and improvements.

Applicant reports that it expects to be able to pay approximately \$1,000,000 of the notes out of internal funds and that it desires to refund the remaining balance of \$5,750,000 through the issue of new notes which will be payable on or before 12 months after their dates of issue, with interest at not exceeding 3-3/4% per annum. At a later date applicant will undertake to issue other securities to provide permanent financing of the expenditures represented by the bank loans.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for by the issue of the notes herein authorized is reasonably required by applicant for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

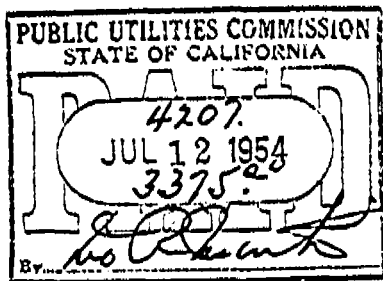
1. California Electric Power Company, on and after the effective date hereof and on or before April 30, 1955, may issue its promissory notes in the aggregate principal amount of not exceeding \$5,750,000 for the purpose of refunding unpaid portions of notes presently outstanding under its loan agreement with Bank of America National Trust and Savings Association, such new notes to be payable on or before 12 months after their dates of issue, with interest at not exceeding 3-3/4% per annum.

2. Applicant shall file with the Commission monthly reports as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

3. The authority herein granted will become effective when applicant has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$3,375.00.

Dated at San Francisco, California, this 6th day of

July, 1954.



[Signature]
President

[Signature]
[Signature]
[Signature]

Commissioners