

ORIGINAL

Decision No. 50518

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)	Application
and sell 800,000 shares of its Common	:	No. 35700
Stock of the Par Value of \$10 per)	(First Supplemental
share, and for an order of this	:	and
Commission exempting Applicant from)	Second Supplemental)
the requirement that such shares be	:	
sold at competitive bidding.)	
-----	:	

FIRST SUPPLEMENTAL ORDER

By Decision No. 50508, dated September 3, 1954, the Commission, among other things, authorized San Diego Gas & Electric Company to issue and sell not exceeding 800,000 shares of its common stock on or before December 31, 1954. The order in said decision provides that the authority granted to issue and sell said shares will become effective when the Commission by supplemental order shall have fixed the price at which they may be sold.

Applicant proposes to offer said shares first to the holders of its presently outstanding common stock, to offer a limited number of shares to its employees and to sell to underwriters the shares not subscribed pursuant to the offerings to stockholders and employees. In its second supplemental application filed in this proceeding on September 13, 1954, it asks the Commission to make its supplemental order authorizing the sale of the 800,000 shares at \$13.75 a share. It has filed with the supplemental application a copy of a proposed underwriting agreement with a syndicate represented by Blyth & Co., Inc., under which unsubscribed shares of stock will be sold.

In its first supplemental application filed on September 2, 1954, applicant reports that it proposes to adopt a new form of stock certificate to represent shares of its common stock which will differ somewhat from the form of the common stock certificate presently used. It has filed a copy of the proposed new form of certificate and it has requested the Commission to approve the same.

The Commission has considered applicant's requests and is of the opinion they should be granted; therefore,

IT IS HEREBY ORDERED as follows:

1. San Diego Gas & Electric Company, from time to time, may issue stock certificates similar in form to the stock certificate filed as Exhibit E to the first supplemental application in this proceeding.

2. San Diego Gas & Electric Company may issue, sell and deliver, at \$13.75 a share, upon subscription pursuant to rights evidenced by transferable warrants to be issued to the holders of record of its common stock at the close of business on September 14, 1954, the 800,000 shares of common stock authorized by the order of the Commission in Decision No. 50508, dated September 3, 1954.

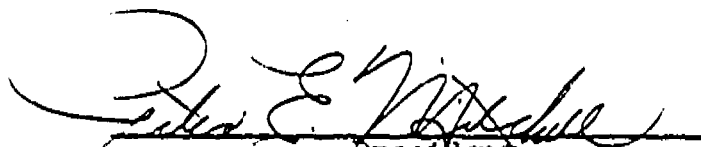
3. San Diego Gas & Electric Company may issue, sell and deliver, at \$13.75 a share, to each regular employee (including officers) and each former employee who is receiving benefits under an established retirement or pension program of applicant, on September 14, 1954, up to 100 shares of such of said 800,000 shares as shall not have been subscribed and paid for pursuant to the aforesaid offer to applicant's stockholders.

4. San Diego Gas & Electric Company may issue, sell and deliver to underwriters, at \$13.75 a share, such of said 800,000

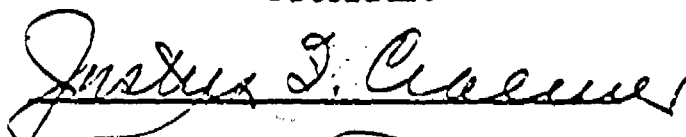
shares of common stock as shall not have been subscribed and paid for pursuant to the aforesaid offers to applicant's stockholders, employees and former employees, in accordance with the terms and conditions of the underwriting agreement filed in this proceeding.

5. The authority granted by this first supplemental order will become effective upon the date hereof.

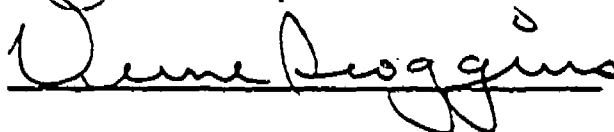
Dated at San Francisco, California, this 14th day of September, 1954.



President







Commissioners