

ORIGINAL

Decision No. 51429

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of SOUTHERN CALIFORNIA EDISON)
COMPANY, a corporation, for)
authority to issue and sell not)
to exceed \$40,950,600 aggregate)
principal amount of its _____%)
Convertible Debentures, Due July)
15, 1970, and to execute and)
deliver an Indenture relating)
to the same, and to issue Shares)
of its Common Stock issuable)
upon Conversion of said Convertible)
Debentures.)
-----)

Application
No. 36907
(First Supplemental)

FIRST SUPPLEMENTAL ORDER

Southern California Edison Company has filed its First Supplemental Application in the above entitled matter for a final order with respect to the issue and sale of its \$40,950,600 of Convertible Debentures.

By Decision No. 51398, dated May 3, 1955, the Commission authorized applicant to issue, sell and deliver not to exceed \$40,950,600 in aggregate principal amount of Convertible Debentures, for the purpose of paying outstanding notes, of reimbursing the treasury and of financing construction costs, but provided that the authorization thus granted would become effective only when applicant paid the fee prescribed by the Public Utilities Code and when the Commission by a supplemental order fixed the price at which the Debentures might be sold.

Applicant has paid the required fee. In its original application and in its supplemental filing it has reported that it

intends to dispose of the Debentures to the holders of its outstanding shares of Common and Original Preferred Stock by means of a rights offering and that it contemplates it will issue one right for each share of such Original Preferred Stock and Common Stock held, and that twenty of such rights will entitle the holder to subscribe for \$100 principal amount of new Convertible Debentures for the sum of \$100.

The Debentures will bear interest at the rate of $3\frac{1}{4}\%$ per annum and will mature July 15, 1970. They will be redeemable initially at $103\frac{1}{2}\%$ of face value up to July 14, 1959, and thereafter at decreasing premiums, plus accrued interest in each case. Subject to the provisions and limitations of the Trust Agreement under which the Debentures are to be issued the owners of the Debentures may at their option, on or prior to July 17, 1967, and at any time on or after January 15, 1957, or prior to said latter date if the Debentures are called for previous redemption, convert the Debentures at their principal amount into fully paid and non-assessable shares of Common Stock at the following initial conversion prices for each share of Common Stock, which conversion prices have no significance except to determine the amount of Common Stock deliverable upon conversion: \$42.85 if converted on or prior to January 15, 1962, \$44.00 if converted thereafter and on or prior to January 15, 1964, or \$45.00 if converted thereafter and on or prior to July 17, 1967, which prices and the kind or amount of securities or other property deliverable upon any such conversion are subject to adjustment in certain cases as provided in the Trust Agreement. The initial conversion rate will be approximately $2\frac{1}{3}$ shares of Common Stock for each \$100 Debenture.

The Commission has given further consideration to the above entitled matter and is of the opinion that a further hearing is not necessary, that the request of applicant should be granted, as herein provided, that the money, property or labor to be procured or paid for by the issue and sale of the Debentures and of the shares of Common Stock herein authorized is reasonably required by applicant for the purposes specified herein, and that such purposes, except as otherwise authorized, are not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:

1. Southern California Edison Company may issue, sell and deliver its 3-1/4% Convertible Debentures, Due July 15, 1970, in an aggregate principal amount not to exceed \$40,950,600, at the price of \$100 for each \$100 principal amount thereof, in the manner and for the purposes referred to in Decision No. 51398, dated May 3, 1955, such Debentures to be issued under the Trust Agreement hereinafter referred to and to bear interest and to have conversion rights and redemption prices as are set forth in said Trust Agreement.

2. Southern California Edison Company may execute and deliver its Trust Agreement dated June 1, 1955, with Bank of America National Trust and Savings Association, as Trustee, in, or substantially in, the same form as that filed in this proceeding as Exhibit A to the First Supplemental Application.

3. For the purpose of exchanging for and retiring upon conversion said Convertible Debentures, Southern California Edison Company may issue such number of shares of its Common Stock, which initially will not exceed 955,673 shares, as may be required from

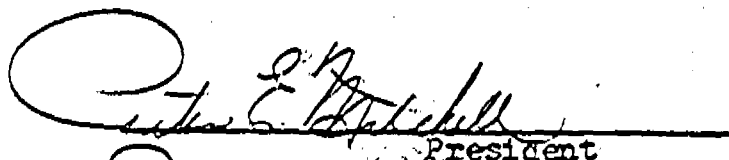
time to time for such purpose pursuant to the terms as to conversion contained in said Debentures and in said Trust Agreement dated June 1, 1955.

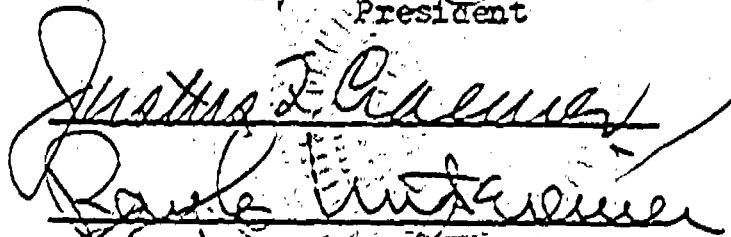
4. The authority granted Southern California Edison Company in Decision No. 51398, dated May 3, 1955, as supplemented by this First Supplemental Order, is hereby confirmed.

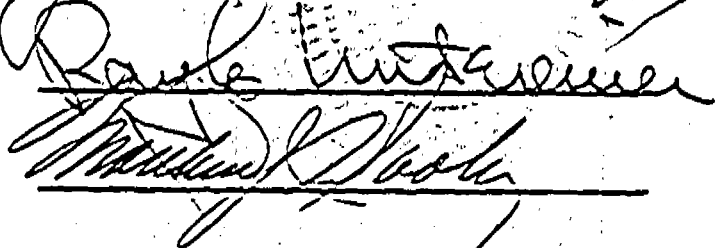
5. Within 90 days after the issue and sale of said Debentures, Southern California Edison Company shall file with the Commission three copies of its Prospectus and a report showing the principal amount of the Debentures sold, the consideration received, the expenses incident to the issue and the account, or accounts, to which such expenses were charged. As soon as available, applicant shall file with the Commission a report showing the purposes for which the proceeds were disbursed.

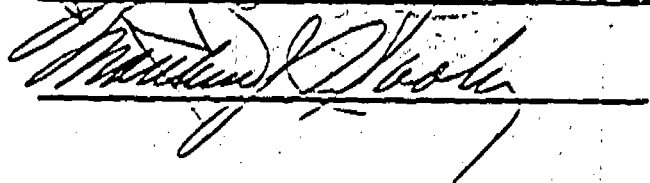
6. This First Supplemental Order will become effective on the date hereof.

Dated at San Francisco, California, this 10th day of May, 1955.


President







Commissioners