

ORIGINAL

Decision No. 61249

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
THE CALIFORNIA OREGON POWER COMPANY

under Section 830 of the Public
Utilities Code for an order
authorizing it to assume liability
as guarantor of promissory notes
issued to finance residential
wiring and wiring improvements.

Application No. 42927

OPINION AND ORDER

The California Oregon Power Company filed this application on December 1, 1960, for an order modifying previous authorization heretofore given it to assume certain liability as a guarantor of notes.

By Decision No. 55648, dated October 8, 1957, as amended, in Application No. 39418, the Commission authorized The California Oregon Power Company to assume liability as guarantor of promissory notes maturing more than 12 months after the date thereof which were issued by home owners to finance residential wiring improvements, including electrical wiring in new residences, subject to a maximum liability on any one note of \$600, provided that such assumption of liability shall be limited to an aggregate principal amount of notes outstanding at any one time of \$125,000 and that no guarantee be given on notes issued after October 16, 1961.

The company now reports that its program to encourage the use of electricity for residential purposes, by acting as guarantor of notes of home owners, has been in effect for approximately 38 months; that as of November 30, 1960, it had guaranteed 176 notes of a total face amount of \$41,988.75; that it had purchased for a total of \$1,192.24 nine notes by reason of their being more than 60 days delinquent; and that on these notes payments of \$929.08 subsequently were made, leaving only \$263.16 owing to applicant. The company further reports that it is meeting substantial competition in the form of promotion of the use of gas appliances, and that in certain portions of its service area, the gas utility will finance the entire cost of installing all gas facilities within the customer's premises. Applicant desires to continue with its program of encouraging the use of electricity and to broaden the scope of such program, and, accordingly, has requested an extension of time of two years to guarantee the notes and additional authority to permit it, among other things, to increase the maximum liability on any one note from \$600 to \$1,200 and to permit the guarantee of notes to finance the purchase and installation of basic installations of wiring and equipment for residential space heating.

The Commission has considered this matter and is of the opinion, and so finds and concludes, that a public hearing is not necessary, that the program will not interfere with applicant's public utility service and that the application should be granted; therefore,

IT IS HEREBY ORDERED as follows:

1. Ordering Paragraph 1 of the Order in Decision No. 55648, dated October 8, 1957, as amended, is further amended to read as follows:

"The California Oregon Power Company is authorized to assume liability as guarantor of promissory notes maturing more than 12 months, but not more than 38 months, after the date thereof and issued under the conditions and for the purposes set forth in Application No. 39418, as supplemented, and in this Application No. 42927, subject to a maximum liability on any one note of \$1,200, provided that such assumption of liability shall be limited to a maximum amount of notes outstanding at any one time of \$125,000 and that no guarantee shall be given on notes issued after December 31, 1962."

2. The Order in Decision No. 55648, dated October 8, 1957, as amended, shall remain in full force and effect, except as modified by this Opinion and Order.

3. This Opinion and Order is effective on the date hereof.

Dated at San Francisco, California, this 28th day of December, 1960.

[Signature]
President
[Signature]
[Signature]
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Commissioners