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ORIGINAL

Decision No. \_\_\_\_\_

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

PACIFIC POWER & LIGHT COMPANY

For an Order authorizing the issuance of 20,413 shares of its Common Stock of the par value of \$6.50 per share

Application No. 43788  
Filed September 28, 1961

O P I N I O N

Pacific Power & Light Company has filed this application for authorization to issue and sell not to exceed 20,413 shares of its common stock of the par value of \$6.50 a share.

The company proposes to use the proceeds to finance the construction, improvement and extension of its electric facilities. It reports its estimated expenditures at \$30,334,000 during the last six months of 1961, at \$47,870,000 during 1962, and at \$12,000,000 during the first three months of 1963. The amounts include, among other things, the estimated costs of completing the 18,000 kw Iron Gate Hydroelectric Project on the Klamath River in California, and initial expenditures on the 80,000 kw Salt Caves Hydroelectric Project in Oregon, upstream from the Iron Gate Project, and a steam electric generator unit in Wyoming.

If authorized to issue the shares, applicant proposes to offer them to its employees, from time to time, in accordance with the terms and conditions of an Employees' Stock Purchase Plan which provides, among other things, for a subscription of not less than 10 shares nor more than 200 shares by any one employee in any one calendar year, for an initial payment of \$1 a share, and for payment of the remainder by payroll deduction over a period of not more than 36 months. The participating employees would have the right to prepay all or any part of the purchase price at any time.

The price to be paid for the shares of stock will be 95% of the average of the weekly bid prices publicly quoted for such stock for the calendar month preceding the month in which subscription applications are accepted. It appears there will be no commissions paid and applicant estimates the price will not be less than the price it would receive if the shares were to be offered the general public through underwriters. Applicant's common shares are not listed; they have been quoted recently, on the over-the-counter market, at \$49.75 bid.

Applicant's financial statement shows that it has financed itself with long-term debt and preferred and common stock and by retained earnings. Its capital ratios, as of June 30, 1961, are indicated in the following tabulation:

Long-term debt	\$290,144,430	60%
Preferred stock	46,236,000	10
Common stock equity	<u>140,239,269</u>	<u>30</u>
Total	<u>\$476,619,699</u>	<u>100%</u>

We have reviewed this application and find and conclude that the issue of additional common stock by applicant at this time is desirable; that the terms of the proposed offering are not adverse to the public interest; that the money, property or labor to be procured or paid for by the issue of the shares of stock herein authorized is reasonably required for the purpose specified herein; and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. An order will be entered granting the application.

The authorization herein given is for the issue of stock and is not to be construed as indicative of amounts to be included in a future rate base for the purpose of determining just and reasonable rates.

O R D E R

The Commission having considered the above-entitled matter and being of the opinion that a public hearing is not necessary,

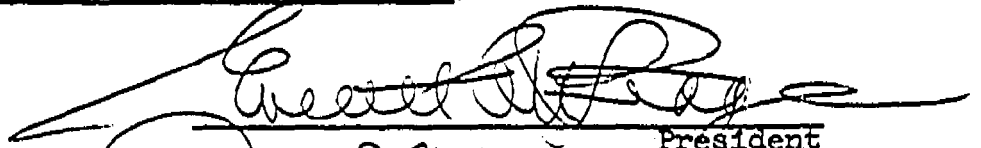
IT IS ORDERED that -


1. Pacific Power & Light Company may issue not to exceed 20,413 shares of its common stock and offer said shares to its employees, from time to time, at the price and under the terms and conditions set forth in the Employees' Stock Purchase Plan and the resolutions which are filed in this proceeding. Applicant shall use the proceeds to be received from the sale of such shares for the purpose of financing, in part, the cost of constructing, improving and extending its electric facilities.


2. Pacific Power & Light Company shall file with the Commission a report, or 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 shall become effective on the date hereof.


Dated at San Francisco, California,  
this 17th day of OCTOBER, 1961.

  
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President

  
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E. M. ...

  
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E. L. Fox

  
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George H. Grover

  
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Commissioners