

ORIGINAL

64462

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 \$32,000,000 in principal amount of  
First Mortgage Bonds

Application No. 44840  
Filed October 9, 1962

O P I N I O N

This is an application for an order of the Commission authorizing Pacific Power & Light Company to issue \$32,000,000 of a new series of First Mortgage Bonds.

The bonds will be sold at competitive bidding. They will be dated December 1, 1962, will bear interest at the rate to be fixed by the bidding, will mature on December 1, 1992, and will be subject to redemption, at prices hereafter to be fixed, beginning with the 12-months' period ending November 30, 1963, provided that the general redemption price prior to December 1, 1967, shall be the principal amount of the bonds or the initial public offering price, whichever is higher, plus an amount equal to the rate of interest to be borne by the bonds plus two percent of the principal amount.

The issue of the new bonds is part of a larger program whereby the company is undertaking to redeem or retire \$106,000,000 of presently outstanding bonds. Specifically, the \$32,000,000 of new bonds will be sold to finance the cost, in part, of redeeming \$12,000,000 of First Mortgage Bonds, 5-3/8% Series due 1987, at 106.33 percent of the principal amount, plus accrued interest, and \$20,000,000 of First Mortgage Bonds, 5-3/4% Series due September 1, 1987, at 105.72 percent of the principal amount, plus accrued interest. The company will employ treasury funds to meet the redemption costs which will not be provided by the sale of the new bonds.

We find that the proposed issue is for a proper purpose and will not impair the company's ability to perform its service and that the application should be granted. A public hearing is not necessary.

The authorization herein granted is for the purpose of this proceeding only and must not be construed as indicative of amounts to be included in future proceedings 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 the money, property or labor to be procured or paid for by the issue of the bonds

herein authorized is reasonably required for the purpose specified herein, which purpose, except as otherwise authorized, is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS ORDERED that -

1. On or after the effective date hereof and on or before March 31, 1963, Pacific Power & Light Company, for the purpose set forth in this application, may execute a Fourteenth Supplemental Indenture in the same form, or substantially the same form, as that annexed to the application as Exhibit E and may issue and sell not to exceed \$32,000,000 in principal amount of First Mortgage Bonds at competitive bidding at the price offered in said bids which will result in the lowest annual cost of money to applicant. The accrued interest may be used for such purpose or for general corporate purposes.

2. Immediately upon awarding the contract for the sale of said \$32,000,000 of First Mortgage Bonds, Pacific Power & Light Company shall file a written report with the Commission showing, as to each bid received, the name of the bidder, the price, the interest rate and the annual cost of money to applicant based on such price and interest rate.

3. Within thirty days after the issue and sale of the bonds herein authorized, Pacific Power & Light Company shall file a report with the Commission showing the date on which said bonds were sold, the names of those to whom sold, and the consideration received, together with three copies of its prospectus.

4. The authority herein granted shall become effective when Pacific Power & Light Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$11,000.

Dated at San Francisco, California,  
this 30<sup>th</sup> day of OCTOBER, 1962.

George H. Hoover  
President

[Signature]

[Signature]

[Signature]

Frederick B. Hallock  
Commissioners

