

ORIGINAL

Decision No. 73928

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of)
SAN DIEGO GAS & ELECTRIC COMPANY,)
for an order authorizing)
Applicant to issue 5,000,000)
shares of its Common Stock, \$5)
par value, and the certificates)
therefor, to the holders of its)
outstanding shares of Common)
Stock on a share for share basis,)
and approving the forms of stock)
certificates to evidence)
Applicant's Common Stock, \$5)
par value.)

Application No. 50087
Filed March 12, 1968

O P I N I O N

This is an application for an order of the Commission authorizing San Diego Gas & Electric Company to issue 5,000,000 shares of common stock, \$5 par value, and certificates therefor, to the holders of its outstanding shares of common stock on a share for share basis.

Applicant proposes to amend its Articles of Incorporation to read, in part, as follows:

"The number of shares of Common Stock which the Corporation is authorized to issue is 12,000,000, each of the par value of \$5. Forthwith upon the filing of this amendment with the Secretary of State of the State of California, each share of Common Stock, \$10 par value then outstanding shall be changed into two (2) shares of Common Stock, \$5 par value of this Corporation."

The company has 5,000,000 shares of common stock outstanding, each having a par value of \$10. After the effective date of said amendment the certificates representing such shares will be treated as evidencing, and will automatically represent, the same number of shares of the new common stock, \$5 par value. Holders of the \$10 par value stock will receive certificates for a number of \$5 par value shares equal to the number of \$10 par value shares held by them.

After consideration the Commission finds that:

- (1) the money, property or labor to be procured or paid for by the issue of the stock and stock certificates herein authorized is reasonably required for the purpose specified herein; and
- (2) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. On the basis of these findings we conclude that the application should be granted. A public hearing is not necessary.

In issuing our order herein, we place applicant and its shareholders on notice that we do not regard the number of shares outstanding, the total par value of the shares nor the dividends paid as measuring the return applicant should be allowed to earn on its investment in plant, and that the authorization herein given is not to be construed as a finding of the value of applicant's stock or properties nor as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. San Diego Gas & Electric Company, for the purpose specified in this proceeding, may issue not exceeding 5,000,000 shares of its common stock, \$5 par value, and certificates therefor, to the holders of its outstanding shares of common stock on a share for share basis. Said certificates may be in the same form, or in substantially the same form, as that attached to the application as Exhibit C changed to indicate a par value of \$5 instead of \$10.

2. Within thirty days after amending its Articles of Incorporation to effect the stock split, applicant shall file with the Commission a certified copy of the amendment, which filing shall be in lieu of a report required by General Order No. 24-B.

3. The effective date of this order is the date hereof.

Dated at San Francisco, California,
this 2nd day of APRIL, 1968.

Ed E. Hatchell
President

William L. Bennett

Angus

William J. ...

Paul P. Morrissey
Commissioners