

ORIGINAL

Decision No. 75056

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)	Application No. 50701
\$75,000,000 aggregate principal)	Filed November 25, 1968
amount of its First and Refunding)	
Mortgage Bonds, Series X, Due)	
1994, to execute and deliver a)	
Thirtieth Supplemental Indenture)	
and to execute and deliver an)	
Instrument of Further Assurance.)	

O P I N I O N

This is an application for an order of the Commission authorizing Southern California Edison Company to execute and deliver a Thirtieth Supplemental Indenture and an Instrument of Further Assurance, and to issue, sell and deliver, at competitive bidding, not exceeding \$75,000,000 aggregate principal amount of its First and Refunding Mortgage Bonds, Series X, Due 1994.

After payment and discharge of obligations incurred for expenses incident to the issuance and sale of said bonds, applicant will use the bond proceeds, other than accrued interest, (a) to retire and discharge promissory notes, drafts and/or bills of exchange, and (b) to reimburse itself for moneys actually

expended by it from income or other moneys in its treasury not secured by or obtained from the issuance of securities, for the acquisition of property, or for the construction, completion, extension or improvement of its facilities, exclusive of maintenance of service and replacements. The accrued interest will be used for any of said purposes or for general corporate purposes.

The utility reports uncapitalized construction expenditures of \$456,051,248 as of September 30, 1968, and estimated gross expenditures of \$668,420,900 for its 1969 and 1970 construction program.

The company proposes to sell its new bonds at competitive bidding, the winning bid to determine the interest rate. The bonds will carry a five-year restricted redemption provision similar to that frequently employed in bond offerings at the present time.

Applicant's capital ratios as of September 30, 1968, and as adjusted to give effect to the proposed bond issue, are reported as follows:

	<u>September 30, 1968</u>	<u>Pro Forma</u>
Long-term debt	53.4%	54.8%
Preferred and preference stock	10.9	10.6
Common stock equity	<u>35.7</u>	<u>34.6</u>
Total	<u>100.0%</u>	<u>100.0%</u>

After consideration the Commission finds that:

1. The proposed bond issue is for proper purposes.
2. Applicant has need for funds from external sources for the purposes set forth in this application.
3. Applicant will be required to pay interest at a lower effective rate than it would in the absence of the proposed restricted redemption provision.
4. The proposed Thirtieth Supplemental Indenture and Instrument of Further Assurance will not be adverse to the public interest.
5. The money, property or labor to be procured or paid for by the issue of the bonds herein authorized is reasonably required for the purposes specified herein, which purposes, except as otherwise authorized for accrued interest, are not, in whole or in part, reasonably chargeable to operating expenses or to income.

On the basis of the foregoing findings we conclude that the application should be granted. A public hearing is not necessary. The action taken herein is for the purpose of this proceeding only and is not to be construed 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. Southern California Edison Company may execute and deliver a Thirtieth Supplemental Indenture and an Instrument of Further Assurance in the same form, or in substantially the same form, as those attached to the application as Exhibit E and Exhibit G, respectively.

2. Southern California Edison Company may invite the submission of written sealed bids for the purchase of not exceeding \$75,000,000 aggregate principal amount of its First and Refunding Mortgage Bonds, Series X, Due 1994, the invitation to be published at least five days prior to the date set for the opening of the bids.

3. Southern California Edison Company may issue, sell and deliver said bonds in the aggregate principal amount of not exceeding \$75,000,000 at the price offered in said bids which will result in the lowest annual cost of money to applicant calculated in the manner provided in the proposed Statement of Terms and Conditions Relating to Bids, a copy of which is attached to the application as part of Exhibit F.

4. Southern California Edison Company shall apply the proceeds from the sale of said bonds to the purposes referred to in the application.

5. Immediately upon awarding the contract for the sale of said bonds, Southern California Edison 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 cost of money to applicant based on such price and interest rate.

6. Within thirty days after the issue and sale of the bonds herein authorized, Southern California Edison Company shall file with the Commission three copies of its prospectus pertaining to said bonds.

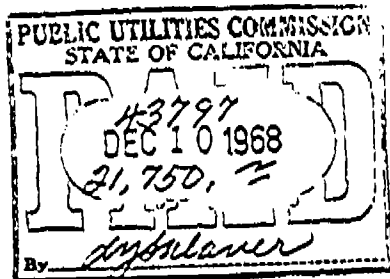
7. Within three months after such issue and sale, Southern California Edison Company shall file with the Commission a statement, in lieu of a report under General Order No. 24-B, disclosing the purposes for which the bond proceeds were used.

8. This order shall become effective on the day of payment by Southern California Edison Company of the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$21,750, or on the fifth day after the date hereof, whichever day is later.

Dated at San Francisco, California,
this 10th day of DECEMBER, 1968.

William Lyons Jr.
President
John E. Mitchell

Augustan
Paul P. Monissey
Commissioners



Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.