

ORIGINAL

Decision No. 76752

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
)
 SAN DIEGO GAS & ELECTRIC COMPANY,)
)
 a corporation, for authority to issue)
 and sell \$40,000,000 principal amount)
 of its First Mortgage Bonds, Series K)
 due 2000 and 500,000 shares of)
 Cumulative Preferred Stock, % Series,)
 \$20 par value)
 _____)

Application No. 51557
 Petition for Modification
 Filed January 28, 1970

FIRST SUPPLEMENTAL OPINION

In connection with a proposed issuance and sale of bonds, by Ordering Paragraph No. 1 of Decision No. 76643, dated January 6, 1970, in the above-entitled matter, the Commission authorized San Diego Gas & Electric Company to execute and deliver an Eleventh Supplemental Indenture in the same form, or in substantially the same form, as that filed in this proceeding as Exhibit D, and providing for an interest rate and redemption provisions as set forth in the application. Said application contemplates a five-year restriction on refunding at a cost of money less than the initial yield to the retail purchasers of the bonds. The utility seeks authority to relate said restriction to the cost of money to the company.

Moreover, the petition indicates that at the time the sale of the bonds is consummated the company's borrowings for temporary financing of its construction program will amount to \$15,000,000, which amount is \$6,000,000 less than the estimated \$21,000,000 set forth in the application.

After consideration the Commission finds that the change in the five-year restriction on refunding would not be adverse to the public interest. On the basis of this finding we conclude that the petition should be granted. A public hearing is not necessary.

FIRST SUPPLEMENTAL ORDER

IT IS ORDERED that Ordering Paragraph No. 1 of Decision No. 76643, dated January 6, 1970, is hereby amended to read as follows:

1. San Diego Gas & Electric Company may execute and deliver an Eleventh Supplemental Indenture in the same form, or in substantially the same form, as that filed in this proceeding as Exhibit D, and providing for an interest rate and redemption provisions as set forth in the application, except that the proposed five-year restriction on refunding may be based upon the cost of money to applicant.

IT IS FURTHER ORDERED that said Decision No. 76643 shall remain in full force and effect, except as modified by this decision.

This order shall become effective when San Diego Gas & Electric Company has paid the additional fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$6,000.

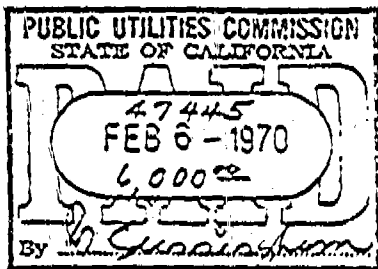
Dated at San Diego, California, this 3rd day of FEBRUARY, 1970.

William Spurr
President

[Signature]

[Signature]

Samuel L. Sturgeon
Commissioners



Commissioner A. W. Gator, being necessarily absent, did not participate in the disposition of this proceeding.