

ORIGINAL

Decision No. 78793

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 (1) the)
issuance of unsecured promissory)
notes under a Credit Agreement)
in an aggregate principal amount)
of not to exceed \$45,000,000 at)
any one time outstanding, (2))
the issuance of unsecured)
promissory notes pursuant to a)
Line of Credit in an aggregate)
principal amount of not to)
exceed \$20,000,000 at any one)
time outstanding, and (3) the)
issuance of unsecured promissory)
notes in the form of Commercial)
Paper in an aggregate principal)
amount of not to exceed)
\$40,000,000 at any one time)
outstanding.)

Application No. 52626
Filed May 19, 1971

O P I N I O N

Pacific Power & Light Company seeks an order of the Commission authorizing it to issue unsecured promissory notes in an aggregate principal amount of not exceeding \$105,000,000 at any one time outstanding.

A portion of the proposed notes would be issued under a new Credit Agreement with a group of banks, which agreement would supersede a similar Credit Agreement dated as of December 31, 1969. The new Credit Agreement would enable applicant to borrow and reborrow from time to time during

the period beginning on June 30, 1971 and ending on December 31, 1972, sums not exceeding \$45,000,000 in aggregate principal amount at any one time outstanding. The notes would bear interest at a rate per annum equivalent to the prime commercial rate charged by the respective banks from time to time.

Another portion of the proposed notes would be issued under an additional line of credit with said group of banks. Borrowings under such line of credit would not exceed \$20,000,000 aggregate principal amount at any one time outstanding. Each note would mature three months after its date or on June 30, 1972, whichever is earlier, and would bear interest at a rate per annum equivalent to the prime commercial rate charged by the payee bank from time to time.

In addition, applicant proposes to issue unsecured promissory notes in the form of commercial paper in an aggregate principal amount of not exceeding \$40,000,000 at any one time outstanding. Said notes would mature no later than 270 days after their date, and would be discounted at the rate prevailing at the time of issuance for commercial paper of comparable quality and maturity.

The net proceeds to be derived from the issuance of notes involved in this proceeding would be used for temporarily financing, in part, applicant's construction program, and for refunding previously authorized notes.

After consideration the Commission finds that: (1) the proposed notes are for proper purposes; (2) the money, property or labor to be procured or paid for by the issue of

the notes herein authorized is reasonably required for the purposes specified herein; and (3) such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income. A public hearing is not necessary.

On the basis of the foregoing findings we conclude that the application should be granted. The authorization herein granted 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. Pacific Power & Light Company, on or after the effective date hereof and on or before December 31, 1972, for the purposes specified in the application, may issue notes in the aggregate principal amounts of not exceeding \$45,000,000, \$20,000,000 and \$40,000,000 at any one time outstanding, and evidencing borrowings or reborrowings under a Credit Agreement, an additional line of credit and commercial paper, respectively. Said Credit Agreement shall be in the same form, or in substantially the same form, as Exhibit D attached to the application. Terms of the additional line of credit and commercial paper shall be consistent with those set forth in the application.

2. Pacific Power & Light Company shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

3. This order 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 \$26,000.

Dated at San Francisco, California, this 15th day of JUNE, 1971.

[Signature]
Chairman

William J. [Signature]

[Signature]

Vernon L. Sturgeon

[Signature]
Commissioners

PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA

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By [Signature]