

ORIGINAL

Decision No. 79022

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 from time to)
time not to exceed \$62,500,000)
in short term promissory notes.)

Application No. 52775
Filed July 28, 1971

O P I N I O N

San Diego Gas & Electric Company seeks an order of the Commission authorizing it to issue not exceeding \$62,500,000 aggregate principal amount at any one time outstanding of short-term evidences of indebtedness.

Applicant has arranged to borrow from time to time through June 30, 1972, up to an aggregate amount of \$50,000,000 to be represented by short-term evidences of indebtedness bearing interest at the prime rate of the lending banks. In addition, arrangements have been made for the issuance of commercial paper in an amount at any one time outstanding not exceeding the lesser of (a) 25% of applicant's annual gross revenues for the most recent available twelve months' period, or (b) \$25,000,000. Authority under both arrangements would be suspended if, after giving effect to the proposed issue, the unused bank loan commitment would be less than 50% of outstanding commercial paper. The proceeds of the borrowings would be used for temporary financing of the company's construction program.

The utility proposes to repay such borrowings from time to time out of funds available from internal sources and the sale of additional securities, including the proposed \$45,000,000 bond issue, details of which are set forth in Application No. 52720.

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

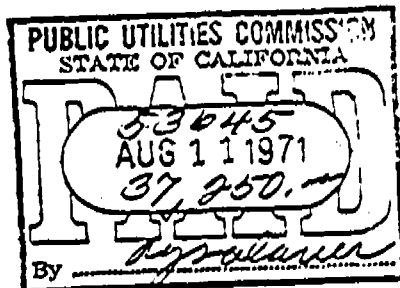
IT IS ORDERED that:

1. San Diego Gas & Electric Company, on or after the effective date hereof and on or before June 30, 1972, for the purposes specified in this proceeding, may issue evidences of indebtedness in the aggregate principal amount of not exceeding \$62,500,000 at any one time outstanding. The evidences of indebtedness shall be in accordance with agreements referred to in the application.

2. On or before the tenth day of each month San Diego Gas & Electric Company shall file with the Commission a summary for the preceding month showing the aggregate amount of evidences of indebtedness issued for construction purposes and debt renewals, retirements and end-of-month balances, segregated as to commercial paper and bank loans. Such filings shall be in lieu of reports under General Order No. 24-B.

3. This order shall become effective when San Diego Gas & Electric Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$37,250.

Dated at San Francisco, California,
this 10th day of AUGUST 1971.



William J. ...
Chairman
William J. ...
...
Vernon L. ...
...
Commissioners