

**ORIGINAL**

Decision No. 80788

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 exceeding  
\$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 exceeding \$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 exceeding  
\$40,000,000 at any one time  
outstanding.

Application No. 53688  
(Filed November 14, 1972)

O P I N I O N

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

The authority herein sought would, in effect, be a continuation of the authority granted by Decision No. 78793, dated June 15, 1971, as modified by Decision No. 80143, dated June 7, 1972, in Application No. 52626.

A portion of the proposed notes would be issued under a new Credit Agreement with a group of banks, which agreement would enable applicant to borrow and reborrow from time to time during the period beginning January 1, 1973 and ending June 30, 1974, 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 the same group of banks. Borrowings under this 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, 1974, whichever is earlier, and would bear interest at the 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 and portions of 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.

On the basis of the foregoing findings we conclude that the application should be granted. A public hearing is not necessary. 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 date hereof and on or before June 30, 1974, 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 substantially the same form as Exhibit B 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 use the proceeds from the sale of the notes for the purposes set forth in this proceeding.

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

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

Dated at San Francisco, California, this 5th  
day of DECEMBER, 1972.

Vernon L. Sturges  
President  
William J. Synge, Jr.  
J. H. Hain  
Commissioners

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding.