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ORIGINAL

Decision No. _____

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 borrowings)
 in an aggregate principal amount)
 not exceeding \$35,000,000 at any one)
 time outstanding under a Loan Facility)
 with certain banks.)

Application No. 54742
 (Filed March 20, 1974)

O P I N I O N

Pacific Power & Light Company seeks authority to borrow not exceeding \$35,000,000 at any one time outstanding under a revolving stand-by Loan Facility terminating no later than September 18, 1975.

The Loan Facility would provide access to Eurodollar loans, and applicant would have the right to make drawings from time to time in the amount of \$1,000,000 or multiples thereof, for a period of one, three or six months, at its option. Each drawing would be advanced by banks in the proportions that their respective commitments bear to the total Loan Facility. Interest would be payable on each drawing at a rate per annum equal to a margin of $5/8$ of 1 percent plus the rate equal to the arithmetic mean of the rates at which deposits in United States dollars are offered by prime banks in the London interbank market for periods on one, three or six months, whichever is appropriate.

The net proceeds from the borrowings would be used for temporarily financing, in part, applicant's construction expenditures, estimated to total \$259,539,000 for 1974.

The application indicates that the Loan Facility would afford the utility greater short-term borrowing capacity and flexibility by giving it access to Eurodollar loans, the effective interest rates of which may, from time to time, provide applicant with rates lower than under its existing short-term borrowing capabilities.

After consideration the Commission finds that: (1) the proposed borrowings would be for a proper purpose; (2) the money, property or labor to be procured or paid for through the Loan Facility herein authorized is reasonably required for the purpose specified herein; and (3) such purpose is 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

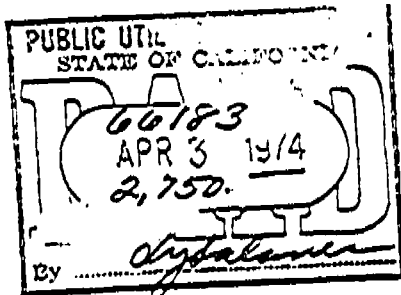
IT IS ORDERED that:

1. Pacific Power & Light Company, on or after the effective date hereof and on or before September 18, 1975, for the purpose set forth in the application, may borrow amounts not exceeding \$35,000,000 at any one time outstanding under a Letter Agreement providing for a Loan Facility, a copy of which is attached to the application as Exhibit B.

2. 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.

3. This order shall become effective when Pacific Power & Light Company has paid the fee computed in accordance with Section 1904.2 of the Public Utilities Code, which fee is \$2,750.

Dated at San Francisco, California, this 2nd day of April, 1974.



Vernon L. Stenger
President
William J. Stenger
William J. Stenger
William J. Stenger
William J. Stenger
Commissioners