

ORIGINAL

Decision No. 83362

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of )

PACIFIC POWER & LIGHT COMPANY )

for authority to issue not )  
exceeding 350,000 shares of its )  
Common Stock of the par value )  
of \$3.25 per share under its )  
Employees' Stock Purchase Plan. )

Application No. 55102  
(Filed August 12, 1974)

O P I N I O N

Pacific Power & Light Company seeks authority to issue and sell 350,000 shares of its \$3.25 par value common stock pursuant to an Employees' Stock Purchase Plan adopted in 1965.

The plan provides for periodic offerings of shares of common stock to each regular full-time employee at a price equal to 90% of the fair market value on the date of offering. On the basis of its experience, the company estimates that 350,000 shares would be a sufficient number for five successive yearly offerings.

Applicant proposes to use the net proceeds from the stock offerings to finance, in part, the construction, improvement and extension of its electric facilities. Assuming \$20 per share proposed maximum proceeds from the sale of the shares of common stock herein sought, the aggregate proceeds would amount to \$7,000,000.

After consideration the Commission finds that: (1) the proposed common stock under the Employees' Stock Purchase Plan would not be adverse to the public interest; (2) the money, property or labor to be procured or paid for by the stock 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.

In issuing our order herein, we place applicant and its shareholders on notice that we do not regard the number of shares outstanding, the total par value of the shares nor the dividends paid as measuring the return applicant should be allowed to earn on its investment in plant, and that the authorization herein granted is not to be construed as a finding of the value of applicant's stock or properties nor 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:

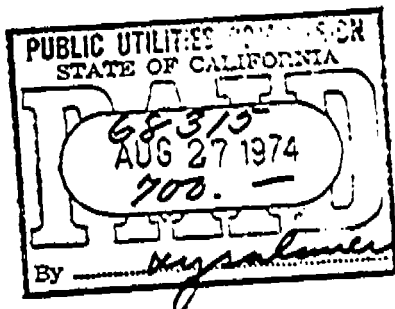
1. Pacific Power & Light Company may issue and sell not exceeding 350,000 shares of its common stock, or such number of shares as may be required to reflect adjustments to capitalization, under and pursuant to its Employees' Stock Purchase Plan, a copy of which is attached to the application as Exhibit B.

2. Pacific Power & Light Company shall use the proceeds from the sale of such shares for the purposes set forth in the application.

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. 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 \$700.

Dated at San Francisco, California, this 27<sup>th</sup>  
day of AUGUST, 1974.



Vernon L. Steingard  
President  
William Synovitz Jr.

[Signature]  
[Signature]  
Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.