ORIGINAL

Decision No. 83403

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

CALIFORNIA-PACIFIC UTILITIES COMPANY, a California corporation,

for an order authorizing it to execute and deliver a Twenty-Second Supplemental Indenture to be dated as of September 1, 1974, supplementing and modifying its First Mortgage Indenture dated as of July 1, 1944. Application No. 55113 (Filed August 15, 1974)

<u>O P I N I O N</u>

California-Pacific Utilities Company seeks authority to execute and deliver a Twenty-Second Supplemental Indenture.

Applicant is a California corporation owning and operating public utility electric, gas, water and telephone systems in California and Nevada; electric, gas and telephone systems in Oregon; and electric systems in Arizona and Utah. The company is also engaged in the nonutility sale of propane in Oregon.

According to the application, the utility's First Mortgage Indenture dated as of July 1, 1944, as amended, contains an ambiguity concerning the treatment of assets employed by the company in its nonutility propane tank gas business, and restricts public utility operations to seven western states. In order to confirm that nonutility propane tank gas properties are excepted from the lien of the Indenture, and to permit the acquisition of public utility property in any of the states lying wholly or partially west of the Mississippi River (except Alaska and Hawaii)

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and to use such property as "additional property" under the Indenture, applicant proposes to execute and deliver a Twenty-Second Supplemental Indenture.

After consideration the Commission finds that the proposed Twenty-Second Supplemental Indenture would not be adverse to the public interest, and concludes that the application should be granted. A public hearing is not necessary.

ORDER

IT IS ORDERED that California-Pacific Utilities Company may execute and deliver its Twenty-Second Supplemental Indenture in substantially the same form as Exhibit A attached to the application.

The effective date of this order is the date hereof. Dated at San Francisco, California, this 4^{-4} day of September, 1974.

Commissioners