

LSC

Decision No. 83862

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of )  
 )  
 CALIFORNIA-PACIFIC UTILITIES )  
 COMPANY, a California corporation, )  
 )  
 for authority to issue not exceeding )  
 \$10,333,608 aggregate principal )  
 amount of bank notes. )  
 )  
 \_\_\_\_\_ )

Application No. 55365  
(Filed December 6, 1974)

O P I N I O N

California-Pacific Utilities Company seeks authority to issue notes in the aggregate principal amount of not exceeding \$10,333,608 at any one time outstanding.

Applicant is a California corporation owning and operating 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.

In order to obtain funds for temporary financing of its construction program, applicant anticipates that it will be necessary to borrow prior to June 30, 1977, not exceeding \$13,000,000. According to the application, such amount exceeds the 5% of par value of other securities set forth in Section 823(c) of the Public Utilities Code by \$10,333,608. The borrowings would be made pursuant to a Revolving Line of Credit and a Loan Agreement. They would be evidenced by unsecured short-term notes bearing interest at the Bank of America National Trust and Savings Association prime commercial loan rate for notes issued under the Revolving Line of Credit, and at 3/4% per annum in excess of the

London interbank offered rate of interest for deposits in the amount and for the period of the particular note involved for notes issued under the Loan Agreement. The company proposes to repay a portion of such borrowings from time to time out of funds available from the sale of additional securities, and to issue such additional short-term notes as are within the limits of the authority herein sought.

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

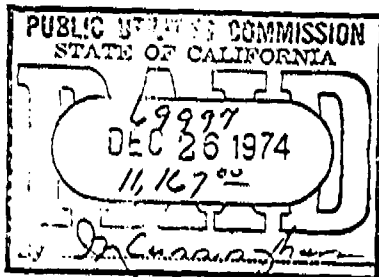
IT IS ORDERED that:

1. California-Pacific Utilities Company, on or after the effective date hereof, on the terms and for the purposes set forth in the application, may issue promissory notes, and notes refunding said notes, in the aggregate principal amount of not exceeding \$10,333,608 at any one time outstanding beyond that authorized by Public Utilities Code Section 823(c), the last of which notes shall be due and payable not later than June 30, 1977.

2. On or before the tenth day of each month, California-Pacific Utilities Company shall file with the Commission a summary for the preceding month showing the aggregate amount of notes issued hereunder and the purposes for which they were issued. The filing shall be in lieu of reports under General Order No. 24-B.

3. This order shall become effective when California-Pacific Utilities Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$11,167.

Dated at San Francisco, California, this 17<sup>th</sup> day of December, 1974.



Veronica L. Sturgeon  
President  
William J. Lyons, Jr.  
John W. ...  
Robert E. McCloud  
Commissioners