

Decision No. 84882**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of SOUTHERN CALIFORNIA EDISON )  
COMPANY, a corporation, for )  
authority to issue and sell not )  
exceeding 1,000,000 shares of )  
Common Stock of the par value )  
of \$8-1/3 per share. )

Application No. 55870  
(Filed August 18, 1975)

O P I N I O N

Southern California Edison Company seeks authority to issue and sell not exceeding 1,000,000 shares of its common stock in accordance with a Dividend Reinvestment and Stock Purchase Plan.

The proposed Dividend Reinvestment and Stock Purchase Plan would provide for a simple and convenient method of reinvesting cash dividends and investing limited supplemental cash payments in additional shares of common stock of the company. Bank of America National Trust and Savings Association would act as agent for the participating common stock shareholders of record, and the bank would administer the Plan for the participants. The purchase price for such shares would equal the average of the high and low sale prices of applicant's common stock traded on the New York Stock Exchange. The company intends to use the net proceeds to reimburse its treasury for uncapitalized construction expenditures.

The utility's reported capitalization ratios at June 30, 1975, and as adjusted to give effect to the proposed stock issue, assuming proceeds of \$20,000,000, are as follows:

	<u>June 30, 1975</u>	<u>Pro Forma</u>
Long-term debt	50.4%	50.1%
Preferred and preference stock	14.7	14.6
Common stock equity	<u>34.9</u>	<u>35.3</u>
Total	<u>100.0%</u>	<u>100.0%</u>

After consideration the Commission finds that:

1. The proposed stock issue would be for a proper purpose.
2. Applicant has need for external funds for the purpose set forth herein.
3. The Dividend Reinvestment and Stock Purchase Plan would not be adverse to the public interest.
4. The money, property or labor to be procured or paid for by the stock herein authorized is reasonably required for the purpose specified herein, which 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. 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 it 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 the company's stock or properties nor as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

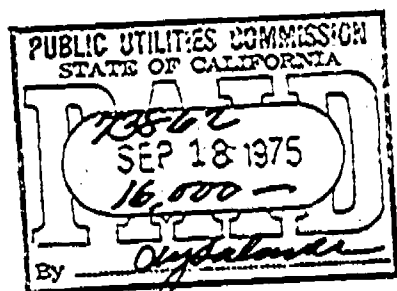
O R D E R

IT IS ORDERED that:

1. Southern California Edison Company, on or after the effective date hereof, may issue, sell and deliver not exceeding 1,000,000 shares of its common stock substantially in accordance with the Description of Dividend Reinvestment and Stock Purchase Plan and Dividend Reinvestment and Stock Purchase Plan Agreement set forth in Exhibits E and F, respectively, attached to the application.
2. Southern California Edison Company shall apply the net proceeds from the sale of stock herein authorized to the purpose set forth in the application.
3. On or before the twenty-fifth day of each month, Southern California Edison Company shall file with the Commission a summary for the preceding month showing the total number of shares issued under the authority herein granted, the price or prices at which such shares were issued, the total proceeds received and the purpose for which the proceeds were used. These filings shall be in lieu of reports under General Order No. 24-B.

4. This order shall become effective when Southern California Edison Company has paid the fee prescribed by Section 1904.1 of the Public Utilities Code, which fee is \$16,000.

Dated at San Francisco, California, this 10th day of September, 1975.



~~William J. Synanon~~  
President  
William J. Synanon  
Terrence L. Spitzgen  
Commissioners

Commissioner Robert Batinovich, being necessarily absent, did not participate in the disposition of this proceeding.