

Decision No. 85489**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 CALIFORNIA-PACIFIC UTILITIES COMPANY)
 for an order authorizing it to issue)
 and sell \$3,125,000 principal amount) Application No. 56227
 of its First Mortgage Bonds in exchange) (Filed January 23, 1976)
 for a like amount of its Debentures,)
 and to execute and deliver a Twenty-Third)
 Supplemental Indenture and a Bond Exchange)
 Agreement.)

O P I N I O N

California-Pacific Utilities Company seeks authority to issue \$3,125,000 of its First Mortgage Bonds in exchange for an equal aggregate principal amount of its outstanding Debentures, and to execute and deliver a Twenty-Third Supplemental Indenture and a Bond Exchange Agreement.

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.

The utility proposes to issue its First Mortgage Bonds in exchange for Debentures, as follows:

<u>New Bonds</u>	<u>Existing Debentures</u>	<u>Principal Amount</u>
Series U, 4.85% due April 1, 1989	4.85% Debentures due April 1, 1989	\$ 700,000
Series V, 7-3/4% due March 1, 1994	7-3/4% Debentures due March 1, 1994	1,425,000
Series W, 9-7/8% due January 1, 1996	9-7/8% Debentures due January 1, 1996	<u>1,000,000</u>
	Total	<u><u>\$3,125,000</u></u>

The bonds would be secured by an existing indenture as heretofore supplemented and as further supplemented by a proposed Twenty-Third Supplemental Indenture.

Applicant's capital ratios as of October 31, 1975, as summarized from the application, are as follows:

Long-term debt	47.4%
Preferred stock	14.6
Common stock equity	<u>38.0</u>
Total	<u>100.0%</u>

The application shows that the proposed exchange would facilitate applicant's ability to engage in short-term financing.

After consideration the Commission finds that:

1. The proposed bonds would be for a proper purpose.
2. The proposed Twenty-Third Supplemental Indenture and Bond Exchange Agreement would not be adverse to the public interest.
3. The money, property or labor to be procured or paid for by the bonds 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.

O R D E R

IT IS ORDERED that:

1. California-Pacific Utilities Company, on or after the date hereof and on or before June 30, 1976, may execute and deliver a Twenty-Third Supplemental Indenture and a Bond Exchange Agreement, which documents shall be in substantially the same forms as those attached to the application as Exhibits A and B, respectively.

2. California-Pacific Utilities Company may issue \$700,000 principal amount of its First Mortgage Bonds, Series U, 4.85% due April 1, 1989 in exchange for \$700,000 principal amount of its outstanding 4.85% Debentures due April 1, 1989.

3. California-Pacific Utilities Company may issue \$1,425,000 principal amount of its First Mortgage Bonds, Series V, 7-3/4% due March 1, 1994 in exchange for \$1,425,000 principal amount of its outstanding 7-3/4% Debentures due March 1, 1994.

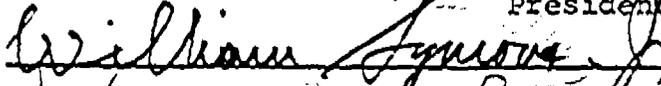
4. California-Pacific Utilities Company may issue \$1,000,000 principal amount of its First Mortgage Bonds, Series W, 9-7/8% due January 1, 1996 in exchange for \$1,000,000 principal amount of its outstanding 9-7/8% Debentures due January 1, 1996.

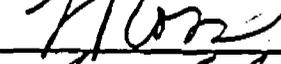
5. California-Pacific Utilities Company shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

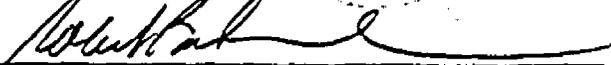
6. The effective date of this order is the date hereof.

Dated at San Francisco, California, this 18th day of FEBRUARY, 1976.



President



Commissioners