

ORIGINALDecision 84 06 094

JUN 6 1984

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Southern California Edison Company)
to modify Decision 83-08-058 to)
extend for two years the authority)
to engage in certain financing)
activities on or before August 17,)
1984.)

Application 84-05-024
(Filed May 8, 1984)

SUPPLEMENTAL OPINION

Decision (D.) 83-08-058 dated August 17, 1983 in
Application (A.) 83-07-14 authorized Southern California Edison
Company (Edison) to issue, sell, and deliver at any time, or times,
until August 17, 1984 an aggregate principal amount up to
\$400,000,000 of its First and Refunding Mortgage Bonds (New Bonds)
in one or more series by means of competitive bidding or through
negotiated public offerings.

Notice of Edison's application appeared on the
Commission's Daily Calendar of May 8, 1984. No protests have been
received.

In this application, Edison requests a supplemental order
extending time to August 17, 1986, a two-year extension, in which
to exercise the authority granted by D.83-08-058 in A.83-07-14 to
issue, sell, and deliver the New Bonds under a "shelf" registration
procedure. Subsequent to the Commission's issuance of D.83-08-058,
the Securities and Exchange Commission (SEC) made its "shelf"

registration, Rule 415, permanent. Edison justifies its request for an extension of time by asserting that it needs the market timing advantages associated with the use of the "shelf" registration procedure.

SEC Rule 415 permits the registration of securities for an offering to be made on a continuous or delayed basis in the future, provided that the amount of securities registered is not more than is reasonably expected to be offered and sold within two years from the initial date of the registration statement. The advantages of registering securities under Rule 415 are as follows:

1. Once the SEC indicates the registration is approved or made effective, all of the securities can be priced and sold at any time in the future.
2. A portion of the securities that were registered can be tailored to market terms and conditions and sold at any time and the remaining balance issued at a later time as required.
3. Periodic market "windows" can be entered quickly at advantageous prices and rates to the issuer.
4. Attractive offers can also be accepted from institutional purchasers and filled from the securities registered under Rule 415.

Registration under Rule 415 provides an issuer with a mechanism whereby it can achieve greater flexibility in marketing securities. Granting the authorization requested will give Edison maximum flexibility in marketing the authorized securities to take the greatest advantage of favorable market terms and conditions.

SEC Rule 415 allows for registration of securities in an amount reasonably expected to be offered and sold within two years from the initial date of the registration statement. Extension of the time period for issuance and sale of the authorized securities from August 17, 1984 to August 17, 1986 would allow Edison to take full advantage of the Shelf Registration procedure over a two-year period from the date of expiration of the authority granted under D.83-08-058.

As described in Edison's application, a "shelf" registration procedure would provide Edison with access to financial markets in the least possible time, thereby affording a better opportunity to issue the New Bonds during periods of favorable market conditions.

Edison states that its reasons for seeking modification is to extend the authority for two years and to implement Rule 415 of the SEC.

The Commission's Revenue Requirements Division has reviewed the authority granted Edison by D.83-08-058 in A.83-07-14 to issue, sell, and deliver its New Bonds under a "shelf" registration procedure and Edison's request for this authority to be extended for two more years. The Division has reviewed Edison's reasons for the extension and recommends that the company should

have the capability of entering the financial markets under the "shelf" registration procedure on an expedited basis to provide it with flexibility to issue its New Bonds on relatively short notice. This flexibility should benefit both Edison and its ratepayers.

The Commission accepts Revenue Requirements Division's recommendation for the two-year extension of time to August 17, 1986 and to issue, sell, and deliver the New Bonds under the SEC's Rule 415, Shelf Registration procedures.

Findings of Fact

1. Edison's request for an extension of time of two years in which to exercise the authority granted in by D.83-08-058 in A.83-07-14 and to utilize "shelf" registration procedures, is reasonable and would not be adverse to the public interest.

2. There is no known opposition to this proceeding and no reason to delay granting the authority requested.

Conclusions of Law

1. A public hearing is not necessary.
2. The application should be granted to the extent set forth in the supplemental order which follows.

SUPPLEMENTAL ORDER

IT IS ORDERED that:

1. Ordering Paragraph 1 of Decision (D.) 83-08-058 dated August 17, 1983 in Application (A.) 83-07-14 is modified to read as follows:

1. At any time, or times, on or before August 17, 1986, Southern California Edison Company (Edison) may issue, sell, and deliver one or more series of its First and Refunding Mortgage Bonds (New Bonds), in an aggregate principal amount up to \$400,000,000. Edison may issue, sell, and deliver all or a portion of the New Bonds in accordance with the provisions of Shelf Registration under Rule 415 of the Securities and Exchange Commission; the securities of each series to mature between five and 40 years from their date of issuance; and with all issuances and sales of the indebtedness being upon terms and conditions substantially consistent with those set forth in, or contemplated by, the application filed in this proceeding.

2. In all other respects, D.83-08-058 in A.82-07-14 remains in full force and effect.

3. This petition to modify D.83-08-058 is granted as set forth above.

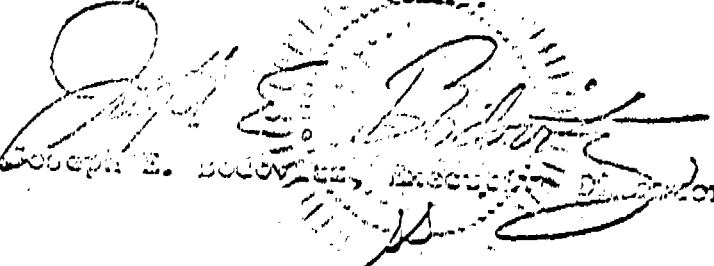
This order is effective today.

Dated JUN 6 1984 at San Francisco, California.

LEONARD M. GRIMES, JR.
President
VICTOR CALVO
DONALD VIAL
WILLIAM T. BACLEY
Commissioners

Commissioner Priscilla C. Crow,
being necessarily absent, did
not participate

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Joseph E. Bodovius, Executive Director

2. In all other respects, D.83-08-058 in A.83-07-14 remains in full force and effect.

3. This ~~application~~^{order} to modify D.83-08-058 is granted as set forth above.

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