

Decision 84 06 125

JUN 20 1984

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
CP NATIONAL CORPORATION, a)
California corporation, for an order)
authorizing it to issue and sell)
securities.)

Application 84-05-096
(Filed May 25, 1984)

SUPPLEMENTAL OPINION

In Ordering Paragraph 5 of Decision (D.) 83-11-008 dated November 2, 1983 in Application (A.) 83-08-58 CP National Corporation (CP National) was authorized an exemption from the Commission's competitive bidding rule for the sale of up to \$10,000,000 aggregate principal amount of its debt securities for sales by means of negotiated public offerings or negotiated private placements and CP National was also authorized to make this sale by means of competitive bidding.

At the time this decision was issued, CP National was uncertain whether it would issue up to \$20,000,000 of its common shares or up to \$10,000,000 of common shares and \$10,000,000 of debt securities. Another option was for CP National to issue other types of permanent securities such as up to \$16,000,000 of its

common shares and up to \$4,000,000 of its preferred shares. The final decision was to be based on market conditions at the time of issuance and the combination which would best suit the interest of CP National's customers and its shareholders. The issue is limited to \$20,000,000.

Notice of the filing of the petition for modification appeared on the Commission's Daily Calendar of May 30, 1984. No protests have been received.

In this petition for modification, CP National requests a change in the wording in Ordering Paragraph 5 which it believes will clear up any ambiguity in the paragraph and make it conform to the company's present intent on current plans for the issuance of its debt securities.

In Ordering Paragraph 5, CP National requests the following changes:

1. In the first line, insert the word "straight" before the word "debt" and
2. In line 2 after the number "\$10,000,000" insert the words "or its convertible debt securities in the aggregate principal amount of up to \$20,000,000." and change "is" to "are".

The Commission's Revenue Requirements Division has reviewed CP National's petition for modification of D.83-11-008 in A.83-08-58 and recommends that CP National's request for a change in Ordering Paragraph 5 be modified to read as requested in the petition for modification.

The Commission has reviewed CP National's request and Revenue Requirements Division's recommendation. We accept the recommendation of the Division.

Finding of Fact

1. CP National's request for a modification of Ordering Paragraph 5 of D.83-11-008 dated November 2, 1983 in A.83-08-58 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.

Conclusion 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 5 of Decision 83-11-008 dated November 2, 1983 in Application 83-08-58 represents an exemption to CP National to issue up to \$10,000,000 of straight debt securities in addition to \$10,000,000 of stock or exempts the total issue for up to the limit of \$20,000,000 of convertible debt securities if no stock is issued. Ordering Paragraph 5 is modified to read as follows:

"5. Sales by CP National of its straight debt securities in the aggregate principal amount of up to \$10,000,000 or its convertible debt securities in the aggregate principal amount of up to \$20,000,000 are exempted from the Commission's competitive bidding rule for the purpose of permitting these sales by negotiated public offerings or negotiated private placements; alternatively, CP National may issue and sell its debt securities by means of competitive bidding."

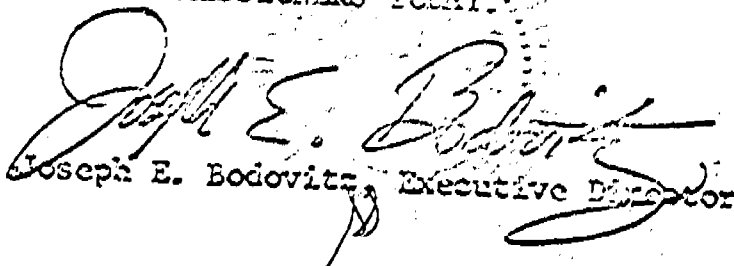
2. This petition for modification is granted as set forth above.

This order is effective today.

Dated JUN 20 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.
President
VICTOR CALVO
PRISCILLA C. GREW
DONALD VIAL
WILLIAM T. BAGLEY
Commissioners

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


Joseph E. Bodovitz, Executive Director