

As the two petitions for modification filed by Southwest represent a proposal to merge authority from two previously authorized transactions into one, the requests will be addressed in a single decision.

No debt securities have been issued under D.88-12-009, which originally granted the authority to issue new indebtedness through September 1989, or under D.89-10-012 which extended the effectiveness of the authority to issue \$100,000,000 of new indebtedness to September 30, 1991. The former decision granted authority to Southwest to

. . . issue and sell up to \$100,000,000 aggregate principal amount of debentures and/or unsecured notes . . . in one or more series and under one or more indentures, either by private placements with institutional investors or by public offerings through underwriters, . . .

The proposal by Southwest is to expand the size of the Old Facility, which is a bank credit agreement under which commercial paper notes are issued, by \$75,000,000 up to a total of \$125,000,000. In order to assure the validity of the anticipated credit facility, Southwest requests modification of D.88-12-009 to permit execution of an amended and restated credit agreement in addition to the authority already granted to execute an indenture.

The request by Southwest to expand its Old Facility by an additional \$75,000,000 and to permit a final maturity date of September 30, 1995 is consistent with and does not exceed the decision of the Commission in D.88-12-009 which allowed Southwest to issue \$100,000,000 aggregate principal amount of new debt. Southwest further requests modification of D.84-07-010 and subsequent D.87-10-070 be modified to allow the new maturity of the amended and restated credit agreement to be extended to September 30, 1995.

Notice of the petitions appeared on the Commission's Daily Calendar on January 23, 1990. No protests have been received. The Commission Advisory and Compliance Division (CACD) has reviewed the petitions and has determined that the proposal of Southwest is proper and consistent with the terms and intent of the previously issued decisions to be modified.

Findings of Fact

1. Southwest, a California corporation, operates as a public utility under the jurisdiction of this Commission.
2. The proposed expansion of the previously authorized credit agreement under D.84-07-010 and the use of \$75,000,000 of the \$100,000,000 previously authorized debt under D.88-12-009 to expand one of Southwest's existing bank credit agreements, would be for proper purposes and would not be adverse to the public interest.
3. There is no known opposition to the proceeding and no reason to delay granting the authority requested.

Conclusions of Law

1. A public hearing is not necessary.
2. The Petitions for Modification should be granted to the extent set forth below.
3. The following order should be effective on the date of issuance to enable Southwest to proceed with its financing expeditiously. No fee is due or payable under Code Section 1904(b).

O R D E R

IT IS ORDERED that:

1. Southwest Gas Corporation is authorized to expand its Eurodollar Credit Facility (Old Facility) authorized under D.84-07-010 up to \$125,000,000, using \$75,000,000 of the \$100,000,000 aggregate principal amount of debt authorization originally provided in D.88-12-009. In all other respects, D.88-12-009 remains in full force and effect.

2. Southwest is authorized to extend the maturity of the amended and restated credit agreement to September 30, 1995.

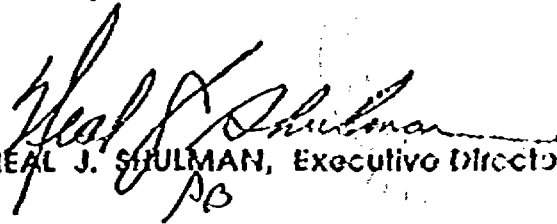
3. The Petitions for Modification are granted as set forth above.

This order is effective today.

Dated MAR 28 1990, at San Francisco, California.

G. MITCHELL WILK
President
FREDERICK R. DUDA
STANLEY W. HULETT
JOHN B. OHANIAN
PATRICIA M. ECKERT
Commissioners

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


NEAL J. STULMAN, Executive Director