

ORIGINAL

Decision 82 01 14 JAN 5 1982

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC GAS AND)
ELECTRIC COMPANY to issue and sell)
not exceeding 750,000 shares of)
\$100 First Preferred Stock, \$100)
par value.)

Application 60632
(Filed June 5, 1981;
Petition for Modification
filed November 5, 1981)

✓

ORDER MODIFYING DECISION

✓

By Decision (D.)93269, dated July 7, 1981, the Commission authorized Pacific Gas and Electric Company (PG&E) to issue and sell not to exceed 750,000 shares of its \$100 First Preferred Stock, \$100 par value. On November 5, 1981, PG&E filed a Petition for Modification of D.93269 to allow it to issue and sell not to exceed either 750,000 shares of \$100 First Preferred Stock, \$100 par value, or 3,000,000 shares of First Preferred Stock, \$25 par value, in a public offering or a private placement.

✓

In view of current unsettled market conditions, PG&E believes it would be desirable to have the flexibility to offer either (1) up to 750,000 shares of \$100 First Preferred Stock, \$100 par value, or (2) up to 3,000,000 shares of First Preferred Stock, \$25 par value. In either case the aggregate par value would not exceed \$75,000,000. In addition, it may be advantageous to publicly offer the preferred stock instead of selling it through a private placement.

As discussed in the application, the terms and conditions of the offering, such as dividend rate and any special features relating to redemption (including sinking fund, if any) and the precise number of shares, will be determined by PG&E's board of directors or executive committee of the board of directors.

If the preferred stock is offered publicly, PG&E intends to use a nationwide group of underwriters. A proposed form of underwriting agreement for the public sale of the \$100 First Preferred Stock was annexed as Exhibit C to the petition. In the event that the First Preferred Stock, \$25 par value, is sold in lieu of the \$100 First Preferred Stock, then the form of underwriting agreement would be changed to reflect that class of stock and the appropriate number of shares, but the other provisions would remain the same.

This order should be effective on the date of signature to enable PG&E to issue the preferred stock expeditiously. | ✓

IT IS ORDERED that:

1. Ordering Paragraph 1 of D.93269 is deleted.
2. Pacific Gas and Electric Company, on or after the effective date of this order may issue and sell, either publicly or on a private placement basis not to exceed either (a) 750,000 shares of \$100 First Preferred Stock, \$100 par value, or (b) 3,000,000 shares of First Preferred Stock, \$25 par value, on substantially the terms and conditions contemplated by the application, as modified by the petition.

3. The reference in Ordering Paragraphs 2 and 3 of D.93269 to "First Preferred Stock" shall refer to either the \$100 First Preferred Stock, \$100 par value, or the First Preferred Stock, \$25 par value, whichever is appropriate at the time of sale.

4. D.93269 shall remain in full force and effect except as modified by this order. ✓

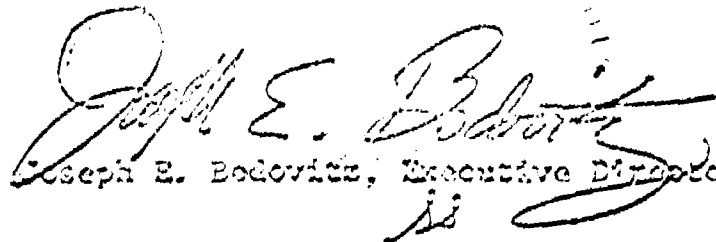
This order is effective today.

Dated JAN 5 1982, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. CRAVELLE
VICTOR CALVO
PRISCILLA C. GREW
Commissioners

Commissioner Leonard M. Grimes, Jr.,
being necessarily absent, did not
participate.

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


Joseph E. Bodovitch, Executive Director