

ORIGINAL

Decision 82 10 050 OCT 20 1982

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application)
of Pacific Gas and Electric)
Company to modify Decision 93730)
in order to issue and sell, at its)
option, not exceeding 5,000,000)
shares of the 10,000,000 shares)
of common stock previously)
authorized through the use of its)
Shelf Registration Program)
procedures.)

Application 82-08-58
(Filed August 31, 1982)

O P I N I O N

By Decision (D.) 93730 dated November 13, 1981 in
Application (A.) 60925, Pacific Gas and Electric Company (PG&E)
was authorized under Public Utilities Code Sections 816 through 818
to issue and sell up to 10,000,000 shares of its common stock
having a par value of \$10 per share.

In this application to modify D.93730, PG&E requests
authority as follows:

1. At its option, to issue and sell
through the use of its Shelf
Registration Program procedures
and upon terms and conditions
substantially consistent with
those set forth in A.82-04-19 and
authorized by D.82-06-017, not to
exceed 5,000,000 shares of the
10,000,000 shares of common stock
authorized for issuance by
D.93730;

2. To continue the authorization in D.93730 to issue and sell, at its option, in one or more offerings in accordance with the decision in its present form, any or all of the 10,000,000 shares not issued and sold under the Shelf Registration Program; and
3. With respect to shares issued and sold under the Shelf Registration Program, to relieve it of the necessity of filing reports under General Order Series 24 and instead to file with the Commission, on or before the 25th day of the month following each quarter, a statement for the preceding quarter showing the number of shares of common stock sold in connection with the Shelf Registration Program procedures, the gross proceeds received, and the expenses incurred by it in connection with the issuances and sale of common stock under those procedures.

Summary of Decision

This decision grants PG&E the authority requested in its application.

Notice of the filing of the application appeared on the Commission's Daily Calendar of September 2, 1982. No protests have been received.

In D.93730, this Commission authorized PG&E to issue and sell up to 10,000,000 shares of its common stock, \$10 par value, through an offering mechanism underwritten by a nationwide

group of underwriters who agreed to purchase the common stock under an Underwriting Agreement for reoffering to the public.

Although PG&E originally planned to issue and sell the common stock in the fourth quarter of 1981, that offering was deferred. PG&E presently plans to issue and sell a portion of that common stock in the fourth quarter of 1982 and in periods thereafter through one or more public offerings. PG&E requests the Commission to continue its authorization given in D.93730 for the issuance and sale.

Instead of issuing the entire 10,000,000 shares of common stock through one or more underwritten public offerings, PG&E also requests that the Commission authorize PG&E to use its recently implemented Shelf Registration Program to issue and sell, at its discretion, up to 5,000,000 of the shares previously authorized. PG&E believes that its recent experience with the Shelf Registration Program makes the flexibility requested desirable. In particular, PG&E believes that through the use of that program it may be able to issue common stock to large investors during favorable market conditions, thereby increasing the proceeds from the issuance of its common stock.

The Commission has reviewed the operation and possible advantages of the Shelf Registration Program in D.82-06-017 and has determined that the program should be authorized. The

Commission's Revenue Requirements Division has no objection to the program but reserves the right to reconsider the reasonableness of any specific program and construction expenditure in future rate proceedings.

The Commission's Revenue Requirements Division has reviewed PG&E's request to modify D.93730. The Division believes that the continued authorization of the Shelf Registration Program and the issuance of up to 5,000,000 shares of PG&E's common stock in connection with the program as requested by PG&E, is appropriate in order to provide PG&E the flexibility it believes is advantageous for the issuance of the 5,000,000 shares. The Revenue Requirements Division concludes that PG&E's request to issue not exceeding 5,000,000 shares of its common stock under the Shelf Registration Program should be granted.

Request for Exemption From General Order Series 24

Since the Shelf Registration Program is designed for periodic sales, strict compliance with General Order Series 24 could require daily filings with the Commission. Accordingly, PG&E requests authorization to be relieved of the necessity of complying with the Commission's General Order Series 24. Instead of a report or reports under the General Order, PG&E proposes to file, on or before the 25th day of the month following each quarter, a

statement for the preceding quarter showing the number of shares of common stock sold in connection with the Shelf Registration Program, the gross proceeds received, and the expenses incurred by it in connection with the issuance and sale of the common stock under this program. This proposal is consistent with the reports requested by the Commission in D.82-06-017.

The Commission's Revenue Requirements Division has reviewed PG&E's request and has concluded that an exemption from strict compliance with General Order Series 24 should be granted.

Findings of Fact

1. PG&E, a California corporation, operates as a public utility under the jurisdiction of this Commission.
2. PG&E has need for external funds for the purposes set forth in D.93730 in A.60925 and in D.82-06-017 in A.82-04-19.
3. The proposed issue of common stock would be for proper purposes.
4. The money, property, or labor to be procured or paid for by the issue of the common stock is reasonably required for the purposes specified in A.60925 and A.82-04-19.
5. In respect to the issuance and sale of common stock under the Shelf Registration Program, PG&E should be relieved of the necessity of complying with the requirements of the Commission's General Order Series 24 and instead to make a quarterly filing.

6. 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 application should be granted to the extent set forth in the order which follows.

The following order should be effective on the date of signature to enable PG&E to proceed with its issue and sale of common stock expeditiously.

O R D E R

IT IS ORDERED that:

1. Pacific Gas and Electric Company (PG&E), on or after the effective date of this order, may at its option issue and sell up to 5,000,000 shares of the 10,000,000 shares of its common stock, \$10 par value, authorized for issuance by Decision (D.) 93730 in Application (A.) 60925, in connection with a Shelf Registration Program previously authorized by the Commission upon terms and conditions substantially consistent with those set forth in or contemplated by D.82-06-017 in A.82-04-19.

2. PG&E is relieved of the necessity of filing reports under General Order Series 24 with respect to the issuance and sale of its common stock under the Shelf Registration Program. In place of this requirement, PG&E shall file with the Commission, on or

before the 25th day of the month following each quarter, a statement for the preceding quarter showing the number of shares of common stock sold in connection with the Shelf Registration Program, the gross proceeds received, and the expenses incurred by it in connection with the issuance and sale of the common stock under this program.

3. In all other respects, D.93730 dated November 13, 1981, and D.82-06-017, shall remain in full force and effect.

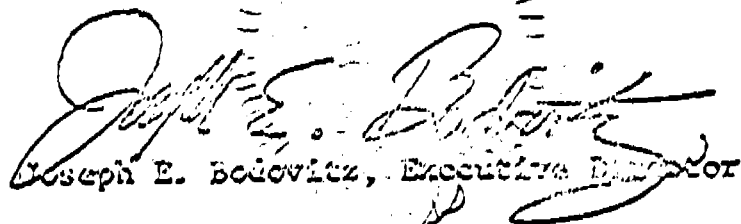
This order is effective today.

Dated OCT 20 1982, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. CRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
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. Bodovitz, Executive Director

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