

CACD/RHG\*

Decision 95-11-065 November 21, 1995

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**ORIGINAL**

In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY U-338-E), to issue short-term notes in an aggregate principal amount not to exceed, at any one time, \$441,288,502 beyond that authorized by Public Utilities Code Section 823(c).

Application 59461  
(Petition for Modification  
Filed August 31, 1995)

In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY for an Order approving the use of variable interest rate debt instruments, or the guarantee of the debt securities of another, to finance its Regulatory Balancing Accounts in an aggregate principal amount not to exceed \$400,000,000. (U-338-E)

Application 87-07-027  
(Petition for Modification  
Filed August 31, 1995)

In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY I-338-E, for an Order to issue Debt Securities, and/or guarantee the Debt Securities of an Edison affiliate, to finance its Fuel Oil, Nuclear Fuel, and Coal Inventories in an aggregate principal amount not to exceed \$900,000,000.

Application 88-03-024  
(Petition for Modification  
Filed August 31, 1995)

In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY U-338-E, to issue, sell, and deliver one or more series of Debt Securities and to guarantee the obligations of others in respect of the issuance of Debt Securities, the total aggregate principal amount of such indebtedness and guarantees not to exceed \$800,000,000; to execute and deliver one or more indentures; to sell, lease, assign, mortgage, or otherwise dispose of or encumber utility property; and for an exemption from the Commission's Competitive Bidding Rule.

Application 93-07-002  
(Petition for Modification  
Filed August 31, 1995)

In the Matter of the Application of  
SOUTHERN CALIFORNIA EDISON COMPANY  
U-338-E, to issue, sell, and deliver  
one or more series of Debt Securities  
and to guarantee the obligations of  
others in respect of the issuance of  
Debt Securities, the total aggregate  
principal amount of such indebtedness  
and guarantees not to exceed  
\$1,000,000,000; to execute and deliver  
one or more indentures; to sell, lease  
assign, mortgage, or otherwise dispose  
of or encumber utility property; and  
for an exemption from the Commission's  
Competitive Bidding Rule.

Application 93-12-052  
(Petition for Modification  
Filed August 31, 1995)

### S U P P L E M E N T A L O P I N I O N

#### Summary of Decision

This decision grants Southern California Edison Company (Edison) the authority requested in its petitions for modification of Decision (D.) 91433, in Application (A.) 59461; D.87-09-050, in A.87-07-027; D.88-07-069, in A.88-03-024; D.93-09-070, in A.93-07-002; and D.94-03-037, in A.93-12-052.

Edison requests modification of these decisions pursuant to Rule 47 (formerly Rule 43) of the Commission's Rules of Practice and Procedure, to allow it to file the reports required by General Order (G.O.) 24 quarterly instead of monthly and to extend the authorization period granted in D.93-09-070 to September 30, 1998.

Notice of the filing appeared on the Commission's Daily Calendar on October 16, 1995. No responses have been received.

#### Background

Edison, a California corporation, is a public utility under the jurisdiction of this Commission, and is primarily engaged in the business of generating, purchasing, transmitting, distributing, and selling electric energy for light, heat, and power in portions of Central and Southern California.

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D.91433, as extended by D.93787, D.84-05-060, D.85-06-010, D.87-05-044, D.90-08-050, and D.93-09-035, authorized Edison to use short-term obligations up to an aggregate amount not to exceed \$441,288,502. Ordering Paragraph 2 of D.91433 directed the utility to file monthly reports showing the aggregate amount of notes issued and the purposes for which they were issued.

D.87-09-050 as amended by D.89-08-023 authorized Edison to issue, renew and refund floating rate debt so that the combined term of the obligation may exceed 12 months without the need for further Commission authorization. Ordering Paragraph 7 of D.87-09-050 directed the utility to file quarterly reports indicating, among other things, the total funds borrowed and the interest cost to Edison.

D.88-07-069 as amended by D.89-08-021, corrected by D.89-09-056, amended by D.91-09-076, and amended by D.94-07-026 granted Edison authority to issue Debt Securities in an aggregate principal amount not to exceed \$900,000,000. Ordering Paragraph 19 of D.88-07-069 required Edison to file monthly reports in compliance with G.O. 24.

D.93-09-070 granted Edison authority to issue and sell Debt Securities in an aggregate principal amount not to exceed \$800,000,000, for a period of two years from September 17, 1993. Ordering Paragraph 12 of this decision required Edison to file monthly reports in compliance with G.O. 24.

Lastly, D.94-03-037 as amended by D.95-04-024 authorized Edison to issue and sell Debt Securities, the total aggregate principal amount not to exceed \$1,000,000,000. Ordering Paragraph 17 of D.94-03-037 required Edison to file, on or before the 25th day of each month, the reports required by G.O. 24.

#### Modification Sought

Edison requests modification of the various decisions in order to be able to file the reports required by G.O. 24 and these decisions quarterly instead of monthly. D.87-09-050 has been included in Edison's petitions for purposes of consolidation.

Edison also seeks to extend the authorization in D.93-09-070 until September 30, 1998.

Discussion

G.O. 24 currently requires that on or before the 25th day of the month, the statements for the preceding month, certified by a responsible officer of the corporation issuing stocks, bonds or other evidence of indebtedness, or by the partnership or individual authorized to issue bonds or other evidence of indebtedness shall be filed with the Commission.<sup>1</sup>

Edison contends that the quarterly reporting will provide the utility administrative consistency and continuity, while continuing to keep the Commission informed of Edison's activities; that quarterly filing will be both less burdensome and costly than monthly filing; and that the resulting efficiencies will ultimately benefit customers by lowering administrative costs.

The Commission Advisory and Compliance Division (CACD) advises us that Edison's requests for deviation from the reporting requirements of G.O. 24 raise no questions that should dissuade us from giving favorable response to Edison's petitions. Edison has made a proper showing to request exception to the G.O. 24 requirements. We believe that the deviation will not alter the purpose of the monthly report, which is to allow staff to monitor the issuance of debt and the purposes for which the proceeds are expended in compliance with the provisions of Public Utilities (PU) Code § 817. For the reasons cited above, and consistent with precedent, we will grant Edison's request.

CACD has reviewed Edison's request for extension of time under the authority granted in D.93-09-070 and has determined that it is for proper purposes and is not adverse to the public

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<sup>1</sup> Information to be included in these reports includes: (1) a list of the certificates or stock issued during the month under the authority of the Commission; (2) the total amount of stock issued under the order of the Commission and outstanding at the end of the month; (3) a list of the bonds or other evidences of indebtedness issued during the month under the authority of the Commission; (4) the total bonds or other evidences of indebtedness issued under the order of the Commission and outstanding at the end of the month. In addition, G.O. 24 requires certain information on disbursements and funds placed in special bank accounts.

interest. CACD recommends, and we concur, that Edison's request be granted and that the authorization under D.93-09-070 be extended to September 30, 1998.

Because of the filing date of the petitions and the time allowed for responses under Rule 47(f) of the Rules of Practice and Procedure, it was not possible for the Commission to issue an order prior to September 17, 1995, the expiration date of the authority granted in D.93-09-070. Therefore, our action on this matter will be effective as of September 17, 1995, nunc pro tunc. Edison is directed to make future similar filings early enough to allow us to act before its financing authority has lapsed.

Findings of Fact

1. Edison's petitions for modification of D.91433, D.87-09-050, D.88-07-069, D.93-09-070, and D.94-03-037 are reasonable and not adverse to the public interest.

2. Filing the reports required by G.O. 24 quarterly instead of monthly would not alter or impede the Commission's objective of monitoring the debt issues and expenditures of a utility in order to ascertain compliance with the provisions of PU Code § 817.

3. The proposed extension of time to September 30, 1998, during which Edison may issue and sell Debt Securities as authorized by D.93-09-070, would be for proper purposes and would not be adverse to the public interest.

4. There is no known opposition and there is no reason to delay granting the deviations requested.

Conclusions of Law

1. A public hearing is not necessary.

2. The petitions for modification should be granted to the extent set forth in the supplemental order that follows.

3. The following supplemental order should be effective on the date of signature.

S U P P L E M E N T A L O R D E R

IT IS ORDERED that:

1. The authority granted to Southern California Edison Company (Edison) by Decision (D.) 91433, Ordering Paragraph 2; D.88-07-069, Ordering Paragraph 19; D.93-09-070, Ordering Paragraph 12; D.94-03-037, Ordering Paragraph 17 is modified and the text of these ordering paragraphs is modified to read as follows:

On or before the 25th day of the month following each quarter, Edison shall file the reports required by General Order 24.

2. D.87-09-050, Ordering Paragraph 7 is modified to the extent that a report shall be filed to the Commission contemporaneously on or before the 25th day of the month following each quarter, to serve as a complement to Ordering Paragraph 1 above.

3. The authority granted to Edison by D.93-09-070, is modified to extend the time period of authorization to September 30, 1998.

4. Edison's petitions for modification are granted as set forth above.

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5. In all other respects, D.91433, D.87-09-050, D.88-07-069, D.93-09-070, and D.94-03-037 remain in full force and effect.

This supplemental order is effective today.

Dated November 21, 1995, at San Francisco, California.

DANIEL Wm. FESSLER  
President  
P. GREGORY CONLON  
JESSIE J. KNIGHT, JR.  
HENRY M. DUQUE  
JOSIAH L. NEEPER  
Commissioners