

ENERGY/RHG

Decision 99-06-046 June 10, 1999

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTHERN)
CALIFORNIA EDISON COMPANY, a corporation)
U-338-E, for an Order modifying Decision No.)
82731, dated April 16, 1974 (as extended by)
Decision Nos. 84241, dated March 25, 1975 and)
88226, dated December 13, 1977) and Decision No.)
88616, dated March 21, 1978 (as extended by)
Decision No. 91033, dated November 20, 1979) to)
increase Applicant's authorization to incur short-)
term obligations payable at periods of not more than)
twelve months after the date of issuance, by a)
principal amount of \$292,160,699 in excess of that)
authorized by the Public Utilities Code Section)
823(c) and prior Commission authorization.)
_____)

Application 59461
(Petition for Modification
filed April 23, 1999)

SUPPLEMENTAL OPINION

Summary of Decision

This decision grants Southern California Edison Company (SCE) the authority requested in its petition for modification of Decision (D.) 91433, as modified by D.93787, D.84-05-060, D.85-06-010, D.87-05-044, D.90-08-050, D.93-09-035, and D.96-07-054 (Petition).

Pursuant to Rule 47 of the Commission's Rules of Practice and Procedure, SCE seeks to have an extension of the expiration date of D.91433, as modified, from June 30, 1999 to June 30, 2005.

Notice of the filing appeared on the Commission's Daily Calendar of April 30, 1999. No protests have been received.

Background

SCE, 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.

D.91433, dated March 18, 1980, in Application 59461, as extended by D.93787, dated December 1, 1981; D.84-05-060, dated May 16, 1984; D.85-06-010, dated June 5, 1985; D.87-05-044, dated May 29, 1987; D.90-08-050, dated August 8, 1990; D.93-09-035, dated September 1, 1993; and D.96-07-054, dated July 17, 1996, authorized SCE to use short-term obligations up to an aggregate amount not to exceed \$441,288,502¹ beyond the amount authorized by Public Utilities (PU) Code § 823(c).

Modification Sought

SCE seeks to extend the authorization in D.91433, as modified, until June 30, 2005.

PU Code § 823(c) states in part:

... no public utility shall, without the consent of the commission, issue notes payable at period of not more than 12 months after the date of issuance of the notes if such notes and all other notes payable at periods of not more than 12 months after the date of issuance of such notes on which such public utility is primarily or secondarily liable would exceed in aggregate amount 5 percent of the par value of the other securities then outstanding.

SCE states in the Petition that generally, it has not exceeded the 5% limit on short-term debt. However, D.91433, as modified, is important to SCE because it allows necessary flexibility to increase its short-term borrowings for a period of time when market conditions for long-term financing are unattractive.

SCE's request for extension of its short-term borrowing authorization through June 30, 2005, raises no questions that should dissuade us from giving favorable consideration to the

¹ D.82731, in A.59461, authorized SCE an aggregate principal amount of \$149,127,803 short-term obligations (beyond the 5% limit prescribed by PU Code § 823(c)); D.91433, as extended, granted SCE \$292,160,699 additional authority (bringing the authorized amount in excess of 5% to an aggregate principal amount of \$441,288,502).

authority requested. The action prescribed in this instance will not change or alter SCE's \$441,288,502 short-term borrowing authority granted in D.91433, as modified. Having explicitly determined the \$441,288,502 amount of short-term debt beyond that authorized by PU Code 823(c) as reasonable previously, we see no reason to object to it at this time and will allow SCE to continue using the same amount of authorization. SCE paid on March 24, 1980 the fee for the financing authority granted in D.91433 as required by PU Code § 1904(b).

This is an uncontested matter in which the decision grants the requested extension of time to issue short-term debt beyond the amount authorized by PU Code 823(c). Accordingly, pursuant to PU Code § 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

We approve SCE's Petition in this order.

Findings of Fact

1. SCE's Petition to use \$441, 288,502 short-term borrowings in excess of the amount otherwise authorized under PU Code § 823(c) until June 30, 2005 would be for proper purposes and would not be adverse to the public interest.
2. SCE's Petition is not for an additional or "new money" issue but an extension of its current short-term authorization which will expire June 30, 1999.
3. The fee associated with D.91433 was paid by SCE on March 24, 1980.
4. Notice of the filing of the Petition appeared on the Commission's Daily Calendar of April 30, 1999, and no protests have been received. There is no known opposition to the Petition and no reason to delay granting the authority requested.

Conclusions of Law

1. A public hearing is not necessary.
2. The Petition should be granted to the extent set forth in the order that follows.
3. The following order should be effective on the date of signature.

SUPPLEMENTAL ORDER

IT IS ORDERED that:

1. The authority granted to Southern California Edison Company (SCE) by Decision (D.) 91433 in Application (A.) 59461, as modified by D.93787, D.84-05-060, D.85-06-010, D87-05-044, D.90-08-050, D.93-09-035, and D.96-07-054, is amended to extend the period of authorization until June 30, 2005.
2. SCE's petition for modification of D.91433, as modified is granted as set forth above.
3. In all other respects, D.91433, as modified remains in full force and effect.

This supplemental order is effective today.

Dated June 10, 1999, at San Francisco, California.

RICHARD A. BILAS
President
HENRY M. DUQUE
JOSIAH L. NEEPER
LORETTA M. LYNCH
JOEL Z. HYATT
Commissioners