

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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## R.E.S.O.L.U.T.I.O.N.

RESOLUTION NO. F-591

REVENUE REQUIREMENTS DIVISION

BRANCH: Financial

DATE: August 4, 1981

SUBJECT: Exemptions from Competitive Bidding Rule

WHEREAS: By Decision No. 91984, dated July 2, 1980, in Application No. 59633 of San Diego Gas & Electric Company, we established a policy which provided that requests for exemption from the competitive bidding rule would be denied except in those instances where a utility had attempted a competitive sale that was not consummated because it was unable to obtain favorable terms.

Our strong preference for competitive bidding remains unchanged. However, because of the need of many utilities to raise large amounts of capital in this extremely volatile market, with unstable economic conditions and rapidly changing interest rates, we find it necessary to modify our previous order.

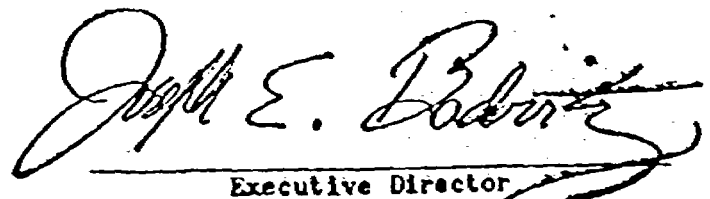
IT IS ORDERED that the policy relating to exemptions from competitive bidding established by Decision No. 91984 is modified as follows:

1. The Securities Unit of the Revenue Requirements Division will review each application requesting an exemption from the Commission's competitive bidding rule. Based on the facts and circumstances of each filing, the Revenue Requirements Division shall prepare on an ex parte basis either (1) a decision granting the exemption or (2) a decision denying the exemption, but granting authority to proceed on a competitive bid basis.

2. Decisions granting exemptions from the rule shall also grant authority to proceed on a competitive bid basis, so as to provide for maximum financial flexibility under the then "prevailing economic conditions."

I certify that this Resolution was introduced, approved and adopted at a regular conference of the Public Utilities Commission of the State of California on Aug 4 1981. The following Commissioners voted favorably:

JOHN E. BRYSON  
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 RICHARD D. GRAVELLE  
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 EDWARD M. GRIMES, JR.  
 \_\_\_\_\_  
 VICTOR CALVO  
 \_\_\_\_\_  
 PRISCILLA C. CREW  
 \_\_\_\_\_  
 Commissioners

  
 Executive Director