

Decision No. \_\_\_\_\_

ORIGINAL

Decision No. 3068

BEFORE THE RAILROAD COMMISSION OF THE  
STATE OF CALIFORNIA.

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In the matter of the application of	}	<u>Application</u>
PUEENTE CITY WATER COMPANY		
for an order authorizing issue of	}	<u>No. 2037</u>
stock.		

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George E. Cross for applicant.

BY THE COMMISSION.

O P I N I O N.

PUEENTE CITY WATER COMPANY asks an order of the Railroad Commission authorizing the sale of 7 shares of its capital stock at par, the proceeds to be used for improvements and betterments in its system.

Applicant is engaged in serving water for domestic and irrigation purposes in and around Puente, Los Angeles County. Its water is pumped from three wells with a capacity of about 90 miner's inches into a reservoir with a capacity of 100,000 gallons, from which it is distributed to 85 to 90 consumers in Puente and to 101 acres irrigated from the system. Its pumps are operated by electric power.

Applicant was incorporated in December, 1909, with an authorized capital stock of \$20,000.00, divided into 400 shares of the par value of \$50.00 each, of which

\$11,350.00 par value has been issued and is now outstanding, and the balance remains in the treasury undisposed of. All of its stock has been sold for cash at par except 100 shares, which were issued in exchange for a reservoir site, rights-of-way, water bearing land, pumps and machinery then installed and comprising an irrigation plant.

In 1914, Puente City Water Company issued to H.M. Robinson 7 shares of its capital stock of the par value of \$50.00 each <sup>without authority from this Commission.</sup> This stock was issued for cash. The evidence shows that at the time applicant issued the stock it was not aware that it was necessary for it to secure authority from the Commission. The evidence further shows that the proceeds obtained from the sale of the stock have been expended for purposes in accordance with the provisions of the Public Utilities Act.

O R D E R.

PUENTE CITY WATER COMPANY having applied to the Railroad Commission of the State of California for an order authorizing it to issue \$350.00 par value of its capital stock, said stock being represented by 7 shares of the par value of \$50.00 each,

And a public hearing having been held and it appearing that the proceeds obtained from the sale of the stock are to be used for purposes not reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED that Puente City Water Company be, and it is hereby given authority to issue \$350.00 par value of its capital stock, said stock being represented by 7 shares of the par value of \$50.00 each.

