

Decision No. 33270

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the matter of the application of CALIFORNIA PUBLIC SERVICE COMPANY for an order authorizing it to issue \$50,000 aggregate par value of its common capital stock, being 2,000 shares of the par value of \$25 each.

Application No. 23888

BY THE COMMISSION:

O P I N I O N

California Public Service Company asks permission to issue and sell to Peoples Light and Power Company, for cash at par, \$50,000 par value of its common capital stock and use the proceeds to pay, in part, the cost of additions and betterments to its properties.

California Public Service Company is a corporation organized under the laws of California. It is engaged in the operation of public utility electric systems in and about Lakeview, Oregon, and in and about New Pine Creek, Alturas, Cedarville, Fort Bragg and Mendocino in California.

By Decision No. 33223, dated June 13, 1940, in Application No. 23477, the Commission authorized Central Mendocino County Power Company, which owns and operates public utility water and electric properties in and about Willits, Mendocino County, to sell its public utility properties to California Public Service Company. The properties have not yet been transferred.

Applicant has an authorized stock issue of 16,480 shares of the par value of \$25 each. All of this stock is outstanding.

It is owned by Peoples Light and Power Company. Applicant's stockholder and directors are now taking steps to amend applicant's Articles of Incorporation so as to provide for an authorized common stock issue of 22,280 shares of the par value of \$25 each.

Applicant has filed in this proceeding as Exhibit "A," a schedule in which it reports at \$89,825 the estimated net cost of additions and betterments to its properties, which it intends to acquire and install during 1941. It is for the purpose of paying, in part, said cost that applicant desires to issue \$50,000 of common capital stock. It stipulates that it will not use any of the additions and betterments acquired through the issue of said \$50,000 of stock as a basis for the issue of additional bonds or funded debt.

ORDER

California Public Service Company having asked permission to issue \$50,000 par value of its common capital stock, the Commission having considered applicant's request and it being of the opinion that this is not a matter on which a hearing is necessary, that the money, property, or labor to be procured or paid for by the issue of said stock is reasonably required for the purpose herein stated, and that the expenditures for said purpose are not, in whole or in part, reasonably chargeable to operating expenses or to income, and that this application should be granted as herein provided, therefore

IT IS HEREBY ORDERED that California Public Service Company may, after the effective date hereof and on or before November 30, 1941, issue and sell to Peoples Light and Power Company,

for cash, at not less than par, \$50,000 par value of its common capital stock, and use the proceeds realized from the issue and sale of said stock to pay, in part, the cost of the additions and betterments described in Exhibit "A" filed in this proceeding.

IT IS HEREBY FURTHER ORDERED that California Public Service Company shall file with the Railroad Commission monthly reports in compliance with the Commission's General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when California Public Service Company has filed with the Railroad Commission a certified copy of its amended Articles of Incorporation providing for the issue of at least 22,280 shares of common capital stock of the par value of \$25 per share.

Dated at ^{Los Angeles} ~~San Francisco~~, California, this 30th day of December, 1940.

Ray L. Riley
Paul J. Baker
Justice J. Coenen
Commissioners