

ORIGINAL

Decision No. 42221

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of)

CALIFORNIA WATER SERVICE COMPANY,
a corporation, for an order
authorizing it to issue an addi-
tional amount of its bonds and
preferred and common stocks.

Application
No. 29632
(1st Supplemental)

FIRST SUPPLEMENTAL ORDER

The Commission, by Decision No. 42125, dated October 11, 1948, authorized California Water Service Company to issue and sell 30,000 shares (par value \$25.00 per share) of its Cumulative Convertible Preferred Stock, Series D, subject to the condition that the authorization so granted will become effective when the Commission by a supplemental order has fixed the price at which said shares of stock may be sold. Applicant, in its first supplemental application, reports that said shares of stock will carry a dividend rate of 5.3% per annum and initially will be convertible into common stock on the basis of one share of preferred stock for .914 shares of common stock. Applicant may redeem, on any dividend date on at least 30 days prior notice, in whole or in part, the said Series D preferred shares at a redemption price equal to \$27.00 per share from November 16, 1948 to November 15, 1953, \$26.75 per share from November 16, 1953 to November 15, 1958, \$26.50 per share from November 16, 1958 to November 15, 1963, and \$26.25 per share on and after November 16, 1963, together, in each case, with accrued dividends.

Applicant asks permission to sell said shares of preferred stock at \$25.30 a share, or on a 5.23% basis. The underwriters will offer said shares of stock to the public at \$26.50 a share.

The Commission has considered applicant's request and believes that such request should be granted, therefore,

IT IS HEREBY ORDERED that California Water Service Company may, effective as of the date hereof, issue and sell at not less than \$25.30 per share, the 80,000 shares of its Cumulative Convertible Preferred Stock, Series D, heretofore authorized to be issued by Decision No. 42125, dated October 11, 1948.

IT IS HEREBY FURTHER ORDERED that Paragraph "4" of the order in said Decision No. 42125, dated October 11, 1948, is modified to read as follows:

4. California Water Service Company may, from time to time, issue shares of its common stock to persons who shall surrender in exchange therefor shares of its Cumulative Convertible Preferred Stock, Series D, such exchange to be upon the basis of the conversion price established by the Certificate of Determination of Preferences of Series D Preferred Stock filed with the first supplemental application as Exhibit "A".

Dated at San Francisco, California, this 16th day
of November 1948.

James H. Lauer

Harold Kuler

Samuel H. Patton

Commissioners