

Decision No. 42562

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
:
of)
:
OLEMA WATER SYSTEM, a corporation,)
:
for an order authorizing the issue of)
stock.)
:
_____)

Application
No. 30056

OPINION AND ORDER

In this application, Olema Water System, a California corporation, asks permission to issue and sell for \$20,000, for the purposes hereafter stated, \$20,000 par value of its capital stock.

Olema Water System, a corporation, has an authorized capital stock of \$25,000, divided into 2,500 shares of the par value of \$10 each. It asks permission to issue and sell to Grace Hamilton Kelham, the purchaser of the Bear Valley Ranch, not to exceed 2,000 shares of its capital stock of the par value of \$10 each, for cash net to applicant at the rate of \$10 per share. The corporation would use \$16,000 of the proceeds to pay for the properties referred to in Application No. 30057. The remaining \$4,000 would be used by it for working capital.

The application does not contain sufficient data to warrant a finding that applicant has need for the \$4,000 as working capital. Neither does it contain definite information as to the cost of the water properties to be acquired by applicant. The order herein will authorize applicant to issue not exceeding \$9,000 of its capital stock. Upon further showing by applicant as to the actual cost of the water properties and the amount it needs for

working capital, the Commission will give further consideration to applicant's request to issue additional stock.

The Commission having considered this application and it being of the opinion that it 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 the stock herein authorized is reasonably required by Olema Water System, a corporation, for the purpose herein stated, that such purpose is 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 as follows:

1. Olema Water System may, effective as of this date and on or before June 30, 1949, issue and sell at \$10 per share, 900 shares of its common capital stock and use the proceeds to pay, in whole or in part, for the water properties being acquired from E. C. Compton.

2. Olema Water System, a corporation, shall file with the Commission within thirty (30) days after the issue of said stock, a statement showing the number of shares of stock issued, to whom said shares were issued, the consideration received therefor, and the purposes for which applicant expended the proceeds.

Dated at San Francisco, California, this 1st day of March, 1949.

R. F. [Signature]
[Signature]
Harold P. Kule

Commissioners