

ORIGINAL

Decision No. 43742

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of)
ROCKET TOWN WATER CO., INC.,)
for authority to issue shares)
of stock.)
-----)

Application
No. 30785

O P I N I O N

In this application, Rocket Town Water Co., Inc. asks permission to issue and sell, for the purposes hereafter stated, ten shares of its no par value common stock for a consideration of \$100 per share.

The Commission by Decision No. 43716, dated January 17, 1950, in Application No. 30483, granted Rocket Town Water Co., Inc. a certificate of public convenience and necessity authorizing it to construct and operate a public utility water system in Tracts No. 1466, No. 1494, No. 1520, and an adjacent 80-acre unsubdivided parcel of land, all situated near Ridgcrest, Kern County, California. The decision states that the water system is being constructed under three separate contracts, at a total estimated cost of \$60,506.29, and that it is being financed by Trans-Continental Land & Water Company, Inc., the subdivider of said tracts.

Applicant has an authorized common stock issue of 2,500 shares of no par value. At this time it desires to issue and sell ten shares of its stock to Arthur L. Harris, Jr., its president, for a consideration of \$100 per share. It proposes to use the proceeds

to pay organization expenses and to accomplish the transfer of said water system from Trans-Continental Land & Water Company, Inc. to applicant.

ORDER

The Commission having considered this application and being of the opinion that a hearing thereon is not necessary, that the money, property or labor to be procured or paid for by the issue of ten shares of stock by Rocket Town Water Co., Inc. is reasonably required by it for the purposes herein stated, which purposes 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 as follows:

1. Rocket Town Water Co., Inc. may issue and sell, after the effective date hereof and on or before March 31, 1950, ten (10) shares of its common stock for a consideration of \$100 per share. Applicant shall use the proceeds obtained from the issue and sale of said shares of stock to pay its organization expenses and to pay, in whole or in part, the cost of acquiring the water system being built by Trans-Continental Land & Water Company, Inc. and referred to in this application and Application No. 30483.

2. Within thirty (30) days after the issue and sale of said shares of stock, Rocket Town Water Co., Inc. shall file with the Commission a statement showing to whom said shares of stock were issued and sold, the aggregate consideration received for said shares of stock, and the purposes for which applicant expended the stock proceeds.

3. The authority herein granted will become effective twenty (20) days after the date hereof.

Dated at Los Angeles, California, this 1st day of February, 1950.

R. F. [Signature]
Justice F. Casner
Grant Powell
Harold P. Hills
[Signature]
Commissioners