

Decision No. 44884

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
LAKEWOOD WATER AND POWER COMPANY)
for an Order Authorizing Issuance)
of Common Shares in Lieu of all)
Common Shares Now Outstanding.)
-----)

Application
No. 31798

OPINION AND ORDER

Lakewood Water and Power Company, applicant herein, is a California corporation organized on or about May 10, 1938. Its articles of incorporation prior to August of 1950 provided for an authorized issue of 30,000 shares of common stock of the par value of \$100 each, of which 9,000 shares heretofore have been issued and now are outstanding, being held by Montana Land Company.

Applicant reports that during August it amended its articles so as to provide for an authorized issue of 15,000 shares of preferred stock of the par value of \$100 each, with cumulative dividends at the rate of 5% per annum payable quarterly, such shares to be redeemable at any time at a premium of \$2 a share. Its presently outstanding certificates for shares of common stock do not bear or contain any provision or other notice that said shares are subject to the rights, privileges and preferences of the holders of the preferred shares, and accordingly applicant has prepared new certificates to represent its common shares upon the reverse side of which are printed the applicable provisions of its articles referring to the preferences granted to the holders of its shares of preferred stock. It asks the Commission, in this application, for authority to issue new certificates for shares of common stock to replace those presently outstanding.

The Commission has considered this request and is of the opinion that this is not a matter on which a hearing is necessary; that the application should be granted, as herein provided; that the money, property or labor to be procured or paid for through the issue of the stock herein authorized is reasonably required by applicant for the purpose specified herein; and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED, as follows:

1. Lakewood Water and Power Company, after the date hereof and on or before December 31, 1950, may issue and deliver to Montana Land Company a certificate, or certificates, representing 9,000 shares of its common stock upon surrender by said Montana Land Company, for cancellation, of the certificate, or certificates, now issued and outstanding, such new certificate, or certificates, so to be issued, by their form and substance, to give notice to any holder thereof of the rights, privileges and preferences to which the holders of the preferred shares are entitled.

2. Lakewood Water and Power Company shall file with the Commission within thirty (30) days after the date hereof, a true and correct copy of the proposed new form of certificate for said common shares.

3. Lakewood Water and Power Company shall file with the Commission a report as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

4. The authority herein granted is effective upon the date hereof.

Dated at San Francisco, California, this 10th day of
October, 1950.

R. Z. Anderson
Justin Z. Casner
Leah S. Casner
Harold P. Hula
Russell P. Potts
Commissioners