

Decision No. 49332

ORIGINAL

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 additional amount of its convertible)
preferred stock and common stock upon)
conversion.)
-----)

Application
No. 34751
(First Supplemental)

FIRST SUPPLEMENTAL ORDER

By Decision No. 49214, dated October 20, 1953, the Commission exempted from competitive bidding a proposed issue by California Water Service Company of 80,000 shares of Cumulative Convertible Preferred Stock, Series H, and authorized applicant to issue and sell said shares at a price to be fixed in a supplemental order, for the purpose of paying indebtedness and of reimbursing its treasury.

In a first supplemental application filed in this proceeding on November 16, 1953, applicant asks permission to sell said 80,000 shares at a price of \$25.40 a share. It reports that the shares will carry a dividend rate of 5.2% per annum, will be convertible after January 1, 1954, into shares of common stock at the rate of one share of preferred for 0.85 shares of common stock, subject to further adjustments, and will be redeemable, in whole or in part, on any dividend date on at least 30 days' prior notice, at a redemption price equal to \$27.00 a share from date of issue to and including November 15, 1958, at \$26.75 a share from November

16, 1958, to and including November 15, 1963, at \$26.50 a share from November 16, 1963, to and including November 15, 1968, and at \$26.25 a share thereafter, together with accrued dividends in each case.

Applicant also asks for authorization to issue shares of its common stock from time to time in exchange for such shares of preferred stock as may be surrendered for conversion.

The Commission has considered applicant's requests and is of the opinion that the money, property or labor to be procured or paid for by the issue of said shares of preferred and common stock is reasonably required for the purposes specified in this application, that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income, and that an order should be entered granting applicant's requests; therefore,

IT IS HEREBY ORDERED as follows:

1. California Water Service Company, on and after the effective date hereof and on or before February 28, 1954, may issue and sell the 80,000 shares of Cumulative Convertible Preferred Stock, Series H, authorized by said Decision No. 49214, at not less than \$25.40 a share, and may issue from time to time shares of its common stock to persons who shall surrender in exchange therefor shares of its Cumulative Convertible Preferred Stock, Series H, such exchange to be made upon the basis of the conversion price applicable to said shares of Cumulative Convertible Preferred Stock, Series H.

1. The authority herein granted will become effective upon the date hereof.

2. The authority herein granted will become effective upon the date hereof.

Dated at San Francisco, California, this 17th day of November, 1953.

R. B. [Signature]
President

Justin J. [Signature]

Samuel [Signature]

John E. [Signature]

James [Signature]
Commissioners