

ORIGINAL

Decision No. 50017

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
	:	
PACIFIC WATER CO., a California)	
corporation, to issue Class C prefer-	:	Application
red shares, under the provisions of)	No. 35385
Section 818 of the Public Utilities	:	
Code, to Park Vista Co.)	
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OPINION AND ORDER

Pacific Water Co., applicant herein, is a California corporation engaged in the operation of public utility water systems in the counties of Los Angeles, Orange, Kern and San Bernardino. In this application it desires authority to issue and sell, at par, 5,100 shares of its Class C, 3% noncumulative preferred stock, of the aggregate par value of \$51,000, for the purpose of financing the cost of certain property, equipment and installations used in providing service to Tracts Nos. 1604, 1655, 1705 and 1715, East Bakersfield.

The record shows that applicant has outstanding capital stock issued under authority previously granted by this Commission, as follows:

Preferred -	
Class A, 6%, \$10 par	\$ 78,000
Class B, 5%, \$10 par	151,000
Class C, 3%, \$10 par	<u>19,460</u>
Total preferred	248,460
Common, \$1 par	<u>370,000</u>
Total	<u>\$618,460</u>

The shares of Class B preferred stock are convertible at the option of the holders up to and including December 31, 1956,

into shares of common on the basis of eight shares of common for each Class B share. Dividends on Class A and Class B shares are cumulative at the rates indicated, but dividends on the Class C shares are noncumulative. Holders of all three classes of preferred shares are entitled to ten votes for each share held.

Applicant now seeks authorization to issue and sell the 5,100 shares of its Class C stock to Park Vista Co., a partnership, to finance the following:

Reimbursement for drilling a water well on Lots 1 and 2, Tract 1705, East Bakersfield.

Purchase price of said Lots 1 and 2.

Reimbursement for deep well pump and electric motor.

To pay for approximately 5,155' of 6" transite pipe, approximately 8,418' of 4" transite pipe and approximately 350' of 2" steel pipe.

To pay for services for 282 lots and 39 road crossings.

Information on file with the Commission shows that in applicant's Bakersfield division it had 1,406 active service connections at the close of 1953. Investigation by the Commission's staff indicates that applicant has need for the aforesaid improvements to take care of consumers' demands for service.

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

IT IS HEREBY ORDERED as follows:

1. Pacific Water Co., on and after the date hereof and on or before December 31, 1954, may issue and sell not exceeding 5,100 shares of its Class C preferred stock at par, for the purposes specified in this application.

2. Pacific Water Co. shall file with the Commission monthly reports as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

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

Dated at Los Angeles, California, this 11th day of May, 1954.

Robert L. Mitchell
President

Justin J. Casner

Russell W. Potter

James Higgins

Commissioners