

ORIGINAL

Decision No. 61007

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of SOUTHWEST WATER COMPANY, a)
California corporation, for)
Authority to issue 5 shares of)
its \$10 par value common stock)
for each outstanding share of)
\$50 par value common stock.)

Application No. 42774

OPINION AND ORDER

In this application, filed on October 20, 1960, Southwest Water Company reports that it proposes to split its outstanding common shares 5 for 1 and that it has amended its Articles of Incorporation so as to reduce the par value of its common shares from \$50 to \$10, with the right given each holder of common shares to receive five shares for each share presently held. The company seeks authorization to issue its new \$10 par value common shares in exchange for the outstanding \$50 par value common shares.

Applicant had outstanding, as of August 31, 1960, 13,613 common shares and 16,068-3/8 shares of 5-1/4% preferred stock, all of the par value of \$50 each. The amendment to the Articles of Incorporation, as stated, will reduce the par value of the common stock to \$10 a share and, among other things, will provide that the holders of the common shares shall be entitled to one vote for each share of common stock held by them and the holders of the preferred shares shall be entitled to five votes for each share of preferred stock held by them.

The Commission has considered this matter and finds and concludes that the proposed issue of shares of common stock is for a proper purpose; that the money, property or labor to be procured or paid for by the issue of the common shares herein authorized is reasonably required for the purpose specified herein; that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; and that a public hearing is not necessary; therefore,

IT IS HEREBY ORDERED as follows:

1. Southwest Water Company, on or after the effective date hereof, may issue five shares of its common stock of the par value of \$10 a share in exchange for each outstanding share of common stock of the par value of \$50 each.

2. Southwest Water Company shall file with the Commission a report, or 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 shall become effective on the date hereof.

Dated at San Francisco, California,
this 7th day of NOVEMBER, 1960.

[Signature] President
[Signature]
[Signature]
[Signature]
Theodore Devere
Commissioners