

ORIGINAL

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Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of DOMINGUEZ WATER)
CORPORATION, a Corporation, to)
Issue its Stock.)
_____)

Application No. 44169
Filed February 7, 1962
and Amendment
Filed February 14, 1962

O P I N I O N

In this application, as amended, the Commission is asked to enter an order authorizing Dominguez Water Corporation to issue and sell 19,961 shares of its common stock of the par value of \$25 each and of the aggregate par value of \$499,025.

The company proposes to sell its shares, at par, to Dominguez Estate Company, its parent company, and to use the proceeds to reimburse its treasury for moneys previously expended for capital additions and improvements. In Exhibit 1, the company has presented its financial report which indicates, among other things, its investments and its sources of funds, a detailed statement being as follows:

Assets

Current and accrued assets -		
Cash and deposits	\$159,451	
Accounts receivable	332,558	
Materials and supplies	76,952	
Prepayments	29,217	
Total current and accrued assets		\$ 598,178
Net utility plant		9,108,791
Deferred debits		81,718
		<u> </u>
Total		<u>\$9,788,687</u>

Liabilities and Capital

Current and accrued liabilities	\$ 819,298
Advances from associated company	300,590
Long-term debt	2,741,500
Advances for construction	2,437,991
Preferred stock	750,000
Common stock	1,719,650
Surplus	1,019,658
	<u> </u>
Total	<u>\$9,788,687</u>

The foregoing statement clearly shows that applicant has financed itself, in part, with retained earnings from operations, which are well in excess of the proposed stock issue, and that it has need for funds, upon replenishing its treasury, to improve its cash position and to pay outstanding obligations. We find and conclude, therefore, that the proposed issue is for a proper purpose and that an order should be entered granting the application.

The authorization herein granted is for the issue of stock and is not to be construed as indicative of amounts to be included in a future rate base for the purpose of determining just and reasonable rates.

O R D E R

The Commission having considered this application and being of the opinion that a public hearing is not necessary; that the money, property or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required 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 ORDERED that -

1. Dominguez Water Corporation, on or after the effective date hereof and on or before June 30, 1962, may issue and sell not to exceed 19,961 shares of its common stock for \$25 per share and shall expend the proceeds for the purpose set forth in this application.

2. Dominguez Water Corporation 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.

A. 44169 RAM

3. This order is effective on the date hereof.

Dated at San Francisco, California
this 20th day of March, 1962.

Geoffrey C. Page

President

John E. Mitchell

George H. Brown

Frederick B. Holoff

Commissioners

Commissioner C. Lyn Fox being
necessarily absent, did not participate
in the disposition of this proceeding.