

ORIGINAL

Decision No. 67955

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
DUARTE WATER COMPANY, A CORPORATION,)
and CALIFORNIA WATER & TELEPHONE)
COMPANY, A CORPORATION, for an)
Order authorizing:)

A. Duarte Water Company to sell)
and California Water & Telephone)
Company to buy all of the assets)
of Duarte Water Company; and)

B. Duarte Water Company to withdraw)
from the water utility business;)
and)

C. California Water & Telephone)
Company to engage in and carry on)
the water utility business of)
Duarte Water Company; and)

D. California Water & Telephone)
Company to assume obligations of)
Duarte Water Company as a part of)
the purchase price of the assets)
of Duarte Water Company; and)

E. California Water & Telephone)
Company to issue and deliver to)
Duarte Water Company 64,006 shares)
of the \$6.25 par value common stock)
of California Water & Telephone)
Company as a part of the purchase)
price of the assets of Duarte)
Water Company.)

Application No. 46144
Petitions for Modification
Filed May 28, 1964
and
September 17, 1964

FIRST SUPPLEMENTAL OPINION

By Decision No. 67185, dated May 12, 1964, in this proceeding, the Commission after hearing (1) authorized Duarte Water Company to sell and transfer its public utility water business

and related assets to California Water & Telephone Company and (2) authorized the latter, in part payment for purchasing and acquiring said business and assets, to assume outstanding liabilities and to issue not to exceed 64,006 shares of its \$6.25 par value common stock at a price of \$20.75 per share.

In its first Petition for Modification in this proceeding, California Water & Telephone Company sought authority to eliminate an item of \$2,000 cash, which it would have paid in addition to the proposed stock issue. The second Petition for Modification seeks to withdraw the prior petition and to obtain a modification of said Decision No. 67185 so as to reflect the substitution of \$1,330,124.50 cash for the 64,006 shares of stock at \$20.75 per share, or \$1,328,124.50, plus \$2,000 cash.

Pursuant to authority granted by Decision No. 67374, dated June 16, 1964, in Application No. 46489, New California Water & Telephone Company acquired from California Water & Telephone Company all the business and assets, except the capital stock of the latter. Subsequently, California Water & Telephone Company was merged into General Telephone & Electronics Corporation and the name of New California Water & Telephone was changed to California Water & Telephone Company.

The Commission has considered the Petitions for Modification filed in this proceeding and finds that the granting of the second of said petitions, thus, among other things, dismissing the first, would not be adverse to the public interest. On the basis of this finding, we conclude that the first Petition

for Modification should be dismissed and that the second Petition for Modification should be granted. A further public hearing is not necessary.

FIRST SUPPLEMENTAL ORDER

IT IS ORDERED that:

1. California Water & Telephone Company (formerly New California Water & Telephone Company) is hereby substituted for and in the place of California Water & Telephone Company wherever the latter appears in the Order in Decision No. 67185, dated May 12, 1964.

2. Ordering Paragraph No. 1 of said Decision No. 67185 is hereby modified so as to read as follows:

1. Duarte Water Company may transfer all of its assets, properties and business to California Water & Telephone Company (formerly New California Water & Telephone Company) for \$1,330,124.50 in cash, plus the assumption of all debts, liabilities and other obligations of the former by the latter.

3. Ordering Paragraph No. 2 of said Decision No. 67185 is hereby modified so as to read as follows:

2. California Water & Telephone Company (formerly New California Water & Telephone Company) may acquire said assets, properties and business of Duarte Water Company upon the terms set forth in the preceding ordering paragraph.

4. Ordering Paragraph No. 4 of said Decision No. 67185 requiring the filing of a report, or reports, as prescribed by General Order No. 24-A, which has been superseded by General Order No. 24-B, is hereby rescinded.

5. The Petition for Modification filed in this proceeding on May 28, 1964 is hereby dismissed.

6. Decision No. 67185, dated May 12, 1964, shall remain in full force and effect, except as modified by this First Supplemental Order.

7. The effective date of this First Supplemental Order is the date hereof.

Dated at San Francisco, California, this 6th day of OCTOBER, 1964.

Frederick B. Halchett
President
John E. Woodall
George T. Traver
Walter L. Brown
Commissioners

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