

ORIGINAL

Decision No. 68187

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of CALIFORNIA CITIES)
WATER COMPANY, a California)
corporation, for authority to)
issue and sell \$1,000 of)
common stock, without par value)

Application No. 47050
Filed October 19, 1964

O P I N I O N

This is an application for an order of the Commission authorizing California Cities Water Company to issue and sell 100 shares of its common stock, without par value, for cash in the amount of \$10 per share, or a total consideration of \$1,000.

Applicant is a California corporation organized on or about September 4, 1964, for the purpose of owning and operating public utility water properties. The company reports that it does not now own any utility properties, but plans to acquire such in the near future. For the purpose of obtaining funds to meet organization expenses and to provide preliminary working capital, applicant proposes to issue and sell \$1,000 stated value of its common stock for a like amount of cash.

The Commission has considered this matter and finds that: (1) the proposed stock issue of applicant is subject to the jurisdiction of this Commission and is for proper purposes: (2) the money, property or labor to be procured

or paid for by the issue of the stock herein authorized is reasonably required for the purposes specified herein; and (3) such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income. A public hearing is not necessary.

On the basis of the foregoing findings we conclude that the application should be granted. In issuing our order herein, we place applicant and its proposed shareholder on notice that we do not regard the number of shares outstanding, the total stated value of the shares nor the dividends paid as measuring the return applicant should be allowed to earn on its investment in plant and that the authorization herein given is not to be construed as a finding of value of applicant's stock or properties nor as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. California Cities Water Company, on or after the date hereof and on or before March 31, 1965, for the purposes specified in the application, may issue and sell not to exceed 100 shares of its common stock, without par value, for cash in the amount of \$10 per share, or a total consideration of \$1,000.

2. California Cities Water Company shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

3. The effective date of this order is the date hereof.

Dated at San Francisco, California,
this 10th day of November, 1964.

Fredrick B. Hallock
President
Ed. J. Nichols
Wesley W. Page
George G. Thorne
William B. Bennett
Commissioners