

ORIGINAL

Decision No. 70392

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of)	
Antelope Valley Water Co. for an)	
order authorizing the acquisition of)	Application No. 48238
all of the outstanding common stock)	Filed February 8, 1966
of Inyokern Water Company.)	
_____)	

O P I N I O N

This is an application for an order of the Commission authorizing Antelope Valley Water Co. to acquire all of the outstanding capital stock of Inyokern Water Company.

Antelope Valley Water Co. is a California corporation engaged in the public utility business of producing, distributing and supplying water in certain areas of the Counties of Kern and Los Angeles. All of its outstanding capital stock is presently held by Dominguez Water Corporation.

Inyokern Water Company is a California corporation engaged in the public utility water business in the Inyokern area of Kern County. According to the application all of its outstanding capital stock is held by Jack G. Kaufman.

In the present application, Antelope Valley Water Co. seeks authority to acquire 1,500 shares of \$10 par value capital

stock of Inyokern Water Company, being all of the issued and outstanding shares of the latter company, for the purchase price of \$35,500 to be paid in cash. The purchase price approximates the reported book value of said shares as of December 31, 1965. The funds for the purchase are to be advanced to Antelope Valley Water Co. by its sole stockholder, Dominguez Water Corporation.

Antelope Valley Water Co. alleges that the acquisition of the stock of Inyokern Water Company is in the public interest for the reason that the former can make available to the latter not otherwise available financial resources and a degree of managerial skill, continuity of personnel, and general level of experience and ability in the water utility industry.

The Commission has considered this matter and finds that the proposed stock acquisition will not be adverse to the public interest. A public hearing is not necessary.

On the basis of the foregoing finding we conclude that the application should be granted. The action taken herein shall not be construed as a finding of the value of the outstanding shares of capital stock of Inyokern Water Company.

O R D E R

IT IS ORDERED that Antelope Valley Water Co. may purchase, acquire, take and hold all of the outstanding common capital stock of Inyokern Water Company in the manner and upon the terms and conditions set forth in the Agreement for Purchase and Sale of Stock, a copy of which is attached to the application as Exhibit No. 3.

The effective date of this order is the date hereof.

Dated at San Francisco, California,
this 1st day of MARCH, 1966.

Frederick B. Halchuff
President
D. E. Mitchell
George J. Grover
Augusta
Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.