

Decision No. 81153**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
 of ROSSMOOR WATER COMPANY, for)
 Authority to Issue 3,000 Shares)
 of its Common Stock.)

Application No. 53839
 (Filed February 13, 1973)

OPINION

Rossmoor Water Company seeks authority to issue 3,000 shares of its \$100 par value common stock to Rossmoor Corporation for \$300,000 cash.

Applicant is a California corporation providing public utility water service in a portion of Orange County. Its reported balance sheet at December 31, 1972 is summarized from Exhibit A, attached to the application, as follows:

Assets

Current assets	\$ 546,093
Net utility plant	5,128,976
Other assets	<u>95,430</u>
Total	<u>\$5,770,499</u>

Liabilities

Current and accrued liabilities	\$1,181,846
Common stock equity	1,158,720
Long-term debt	1,131,600
Advances for construction	1,869,957
Contributions in aid of construction	390,266
Other liabilities	<u>38,110</u>
Total	<u>\$5,770,499</u>

The company proposes to issue 3,000 shares of its \$100 par value common stock to Rossmoor Corporation for \$300,000 cash for the purpose of obtaining funds to purchase and terminate twenty-four main extension refund contracts at a total cost of \$239,579.87, and paying accrued balances due of \$10,420.13 on main extension contracts.

After consideration the Commission finds that: (1) the proposed stock issue 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.

On the basis of the foregoing findings we conclude that the application should be granted. A public hearing is not necessary. The authorization herein granted is for the purpose of this proceeding only, and is not to be construed as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

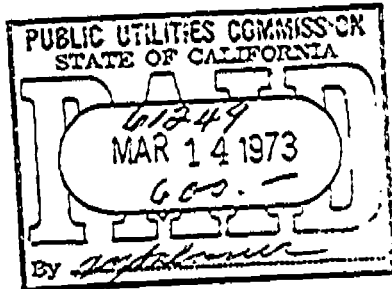
IT IS ORDERED that:

1. Rossmoor Water Company, on or after the effective date hereof and on or before June 30, 1973, in order to obtain funds for the purposes specified in the application, may issue and sell, at par for cash, not exceeding 3,000 shares of its \$100 par value common stock.

2. Rossmoor 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. This order shall become effective when Rossmoor Water Company has paid the fee prescribed by Section 1904.1 of the Public Utilities Code, which fee is \$600.

Dated at San Francisco, California, this 13th day of MARCH, 1973.



Vernon L. Sturgeon
President
William J. Lyons
Thomas Moran
Commissioners

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding.