

EC/CFF/AV/WPSC

ORIGINAL

Decision 84 09 095 SEP 19 1984

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application )  
of California Water Service Company )  
to modify Ordering Paragraph 1 of )  
Decision 93847 to increase the )  
number of shares and to extend the )  
issuance date of the common shares.)

Application 84-07-039  
(Filed July 12, 1984)

O P I N I O N

In Decision (D.) 93847 dated December 15, 1981 in Application (A.) 61002, California Water Service Company (Cal Water) was authorized, under its Dividend Reinvestment Plan (Plan), to issue on or before December 31, 1985, up to 150,000 shares of Cal Water's Common Stock, \$12.50 par value per share.

In this application, Cal Water requests a modification of Ordering Paragraph 1 of D.93847. Cal Water requests authority to split the shares of its common stock which are authorized but unissued under the Plan. Also, Cal Water requests authority to extend to December 31, 1987, the time in which it may issue the common stock under the Plan.

Summary of Decision

This decision grants Cal Water the authority requested in its application.

Notice of the filing of the application appeared on the Commission's Daily Calendar of July 18, 1984. No protests have been received.

Background

On April 17, 1984, under authority granted by D.84-03-013, Cal Water's issued and outstanding shares of its Common Stock, \$12.50 par value per share, were split so that each issued and outstanding share was changed into two shares of Common Stock, \$6.25 par value per share. D.93847 should now be modified so as to increase the number of common shares which Cal Water is authorized to issue under the Plan, thereby reflecting the two-for-one stock split.

The application indicates that prior to the stock split, authorized by D.84-03-013, Cal Water issued 28,837 shares of its Common Stock, \$12.50 par value per share, under the Plan and D.93847. There remains to be issued under the Plan 121,163 common shares. The number of these authorized but unissued common shares as of the date of the stock split should be increased to 242,326, thereby reflecting the two-for-one stock split. Also, the application indicates that after the stock split authorized by D.84-03-013, 6,748 shares of Common Stock, \$6.25 par value per share, have been issued by Cal Water under the Plan.

Cal Water expects to continue its Plan in existence indefinitely. Based on present stockholder participation in the Plan, the shares reserved for issuance under the Plan should last through 1987.

The Commission's Evaluation and Compliance Division has reviewed Cal Water's application and has concluded that the utility's request is reasonable and should be granted.

Findings of Fact

1. Cal Water, a California corporation, operates as a public utility under the jurisdiction of this Commission.
2. The proposed issuance of up to 242,326 shares of Cal Water's Common Stock, \$6.25 par value per share, to those Cal Water common stockholders who elect to receive common stock dividends in lieu of cash dividends under the Plan, would be for proper purposes and would not be adverse to the public interest.
3. There is no known opposition and no reason to delay granting the authority requested.

Conclusion of Law

1. A public hearing is not necessary.
2. The application should be granted to the extent set forth in the order which follows.

The proposed security issue is for lawful purposes, and the money, property or labor to be obtained is required for these purposes. Proceeds from the security issue may not be charged to operating expenses or income.

In issuing our order, we place Cal Water and its stockholders on notice that the number of shares outstanding, the total par value of the shares, and the dividends paid do not determine allowable return on plant investment. This authorization is not a finding of the value of Cal Water's stock or property, nor does it indicate the amounts to be included in ratesetting proceedings.

The following order should be effective on the date of issuance to enable Cal Water to proceed expeditiously.

O R D E R

IT IS ORDERED that:

1. Ordering Paragraph 1 of D.93847 in A.61002 is modified as follows: On or after January 1, 1982 and on or before April 16, 1984, California Water Service Company (Cal Water) may issue up to 28,837 shares of its authorized but unissued Common Stock, \$12.50 par value per share, under Cal Water's Dividend Reinvestment Plan. Also, on or after April 17, 1984 and on or before December 31, 1987, Cal Water may issue up to 242,326 shares of its authorized but unissued Common Stock, \$6.25 par value per share, under Cal Water's Dividend Reinvestment Plan.

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2. In all other respects, D.93847 dated December 15, 1981 in A.61002 remains in full force and effect.

3. This petition for modification is granted as set forth above.

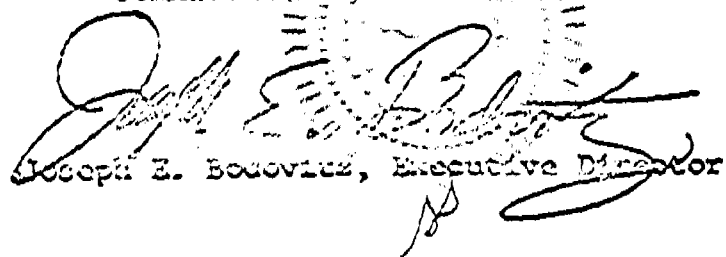
This order is effective today.

Dated SEP 19 1984, at San Francisco, California.

Commissioner William T. Bagley  
being necessarily absent, did  
not participate.

VICTOR CALVO  
PRISCILLA C. GREW  
DONALD VIAL  
Commissioners

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY.

  
Joseph E. Bouoviaz, Executive Director