

Decision **83 OS 038** August 3, 1983

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of CP NATIONAL CORPORATION, a California corporation, that further Commission authorization with respect to exercise of the first option to acquire the remaining interest in Trident Energy Systems, Inc., in relation to Decision 93786 is now moot.

Application 83-05-48
(Filed March 17, 1983)

ORDER OF DISMISSAL

By Decision 93786 dated December 1, 1981 in Application (A.) 60360 CP National Corporation (CPN) was granted authority to acquire control of Trident Energy Systems, Inc. (Trident), a manufacturer and supplier of solar space conditioning and water heating systems subject to certain conditions.

The terms of acquisition were set forth in a Stock Purchase and Option Agreement (the agreement). The agreement provided that CPN would acquire a 30% ownership interest in Trident in return for the sum of \$1,000,000, which sum would be used by Trident primarily for working capital to expand its sales and manufacturing program. The agreement also gave CPN the option to acquire an additional 30% equity ownership interest in Trident from its present shareholders for \$3,000,000 if the option was exercised by December 31, 1982, or \$4,000,000 if exercised by December 31, 1983. If the foregoing option was exercised, applicant also would have the option to purchase the remaining 40% ownership interest in Trident from its present shareholders by December 31, 1985 for \$7,000,000. Should the second option expire unexercised, Trident's shareholders were granted an option by CPN to sell the second option shares for an aggregate price of \$7,000,000.

One of the conditions was that CPN obtain authorization from the Commission prior to exercising the first option.

This application alleges that: In early January 1983, CPN was able to secure the commitment of Trident's shareholders to eliminate the option provisions of the original agreement and replace that agreement with one under which CPN essentially acquired all of the common stock of Trident for \$40,000, CPN loaned Trident \$200,000, and the former shareholders of Trident are entitled to certain royalty payments based on Trident's sales. The indebtedness of Trident to CPN presently amounts to approximately \$910,000.

On February 18, 1983, the new acquisition agreement was executed and the transaction was closed.

The application requests that the record in A.60360 reflect that further Commission authorization with respect to this first option is now moot. No other relief is sought.

Since no affirmative relief is sought,

IT IS ORDERED that A.83-03-48 is dismissed.

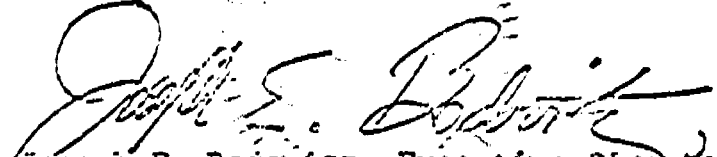
This order becomes effective 30 days from today.

Dated AUG 3 1983 , at San Francisco, California.

LEONARD M. GRIMES, JR.
President

VICTOR CALVO
PRISCILLA C. GREW
DONALD VIAL
WILLIAM T. BAGLEY
Commissioners

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


Joseph E. Bodovitz, Executive Director

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