

WATER/RHG

Decision 99-10-012 October 7, 1999

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of CALIFORNIA)
WATER SERVICE COMPANY U-60-W, a)
Corporation, for an order (1) authorizing it to issue)
and/or sell on or before December 31, 1999 not)
exceeding in aggregate amount \$115,000,000 of)
any combination of (a) shares of its common stock,)
(b) shares of its preferred stock, (c) debt securities)
consisting of any combination of (i) senior notes,)
(ii) medium term notes, (iii) project specific)
financing, (iv) monthly income preferred securities)
(MIPS) or (v) first mortgage bonds, and/or (d) debt)
securities relating to participation in governmental)
or agency tax free debt financing and (2) exempting)
the issuance and sale of said debt from the)
competitive bidding rule set forth in Decision)
No. 38614, as amended.)
_____)

FORMAL FILE COPY

Application 96-08-035
(Petition for Modification
filed August 12, 1999)

SUPPLEMENTAL OPINION

Summary of Decision

This decision grants California Water Service Company (CWS) the authority requested in its petition for modification of Decision (D.) 96-10-062 (Petition).

Notice of the filing of the Petition appeared on the Commission's Daily Calendar of August 16, 1999. No protests have been received.

Pursuant to Rule 47 of the Commission's Rules of Practice and Procedure, CWS seeks to have an extension of the expiration date of the authority granted by D.96-10-062 from December 31, 1999 to December 31, 2001.

Background

CWS, a California corporation, operates as a public utility subject to the jurisdiction of this Commission. CWS provides water service to customers in many localities in the State of California from Chico in the north to the Palos Verdes Peninsula in the south.

D.96-10-062 dated October 25, 1996, in Application (A.) 96-08-035, authorized CWS among other things, to sell a combination of shares of its common stock, shares of its preferred stock, and Debt Securities up to an aggregate principal amount of \$115,000,000.

Modification Sought

CWS seeks to extend the authorization in D.96-10-062 until December 31, 2001, in order to maintain financing flexibility to secure financing as needed and as market opportunities arise. Out of the \$115,000,000 authority, \$20,000,000 have been issued; an estimated \$20,000,000 to \$30,000,000 debt to be issued either late 2000 or in 2001; an estimated \$45,000,000 issue of common stock intended for CWS' proposed Dominguez merger¹; and about \$10,000,000 of common stock to be issued for smaller acquisitions.

As stated in D.96-10-062, CWS intends to apply the net proceeds from the debt capital financings and equity offerings for the construction, completion, replacement, extension or improvements of its facilities; acquisition of property and water systems; retirement of long-term debt; satisfying first mortgage bonds sinking fund requirements; paying off outstanding short-term debt; and reimbursement of moneys previously expended from income from which its treasury has not been reimbursed.

We have reviewed CWS' Petition and have determined it reasonable.

As required under D.96-10-062, we expect CWS to apprise the Commission pursuant to General Order (G.O.) Series 24, on the receipts and disbursements arising under the authorization extending the effective date.

¹Requested in A.99-02-004 filed February 5, 1999, as amended on April 22, 1999; a Commission decision is scheduled for the end of January, 2000.

Findings of Fact

1. The proposed extension of time to December 31, 2001, during which CWS may issue equity and Debt Securities under the authority granted in D.96-10-062 would be for proper purposes and would not be adverse to the public interest.

2. D.96-10-062 required CWS to file on or before the 25th day of each month, the reports required by G.O. Series 24.

3. Notice of the filing of the Petition appeared on the Commission's Daily Calendar of August 16, 1999. There is no known opposition to the Petition, and the authority requested should be granted.

Conclusions of Law

1. A public hearing is not necessary.
2. The Petition should be granted to the extent set forth in the order that follows.
3. The following order should be effective on the date of signature.

SUPPLEMENTAL ORDER

IT IS ORDERED that:

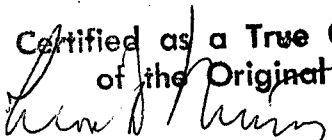
1. The authority granted to California Water Service Company by Decision (D.) 96-10-062 in Application (A.) 96-08-035, is modified to extend the period of authorization to December 31, 2001.
2. The Petition is granted as set forth above.
3. In all other respects, D.96-10-062 remains in full force and effect.

This supplemental order is effective today.

Dated October 7, 1999, at Los Angeles, California.

RICHARD A. BILAS
President
HENRY M. DUQUE
JOSIAH L. NEEPER
JOEL Z. HYATT
CARL W. WOOD
Commissioners

Certified as a True Copy
of the Original


ASST. EXECUTIVE DIRECTOR, PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA

PROOF OF SERVICE BY MAIL

I, Sandra Jackson, declare:

I am over the age of 18 years, not a party to this proceeding, and am employed by the California Public Utilities Commission at 505 Van Ness Avenue, San Francisco, California.

On 10-12-99, I deposited in the mail at San Francisco, California, a copy of:

99-10-012

(DECISION NUMBER OR TYPE OF HEARING)

10-7-99

(DATE OF HEARING)

A-96-08-035

(APPLICATION/CASE/OII/OIR NUMBER)

in a sealed envelope, with postage prepaid, addressed to the last known address of each of the addressees in the attached list.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on 10-12-99, at San Francisco, California.

Sandra Jackson

*Signature
9/92

CA-17
10/7/99

A.96-08-035

DECISION: 99-10-012
MAIL DATE: 10-12-99

Copy of "SUPPLEMENTAL OPINION" and order mailed to the following.

SEE ATTACHED LIST FOR APPEARANCES, STATE SERVICE

10/5/99
lpd

Count 8

***** SERVICE LIST *****

Last updated on 30-SEP-1999 by: LPD
A9608035 LIST

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