

Decision No. 40791**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )

C. L. BELTZ )

to execute a deed of trust and note. )

Application  
No. 28704OPINION AND ORDER

C. L. Beltz, applicant herein, is engaged in the distribution of water, primarily for domestic purposes, in the territory commonly known as Pleasure Point and Breakers Beach, in Santa Cruz County. In his annual financial returns to the Commission for the past five years he has reported the following:

	<u>Operating Revenues</u>	<u>Investment in Plant</u>	<u>Number of Consumers</u>
1942	\$3,294	\$21,138	172
1943	3,284	21,138	170
1944	4,109	21,138	230
1945	4,619	21,138	302
1946	5,960	47,854	410

The application shows that during the last year applicant was called upon to erect and equip an additional steel-tower and tank and to install in excess of 19,000 feet of pipe lines. It is now reported that during the last eight months 125 new service connections have been made, that the population in applicant's service area is increasing, and that there is a back-log of new orders requiring additional expenditures for meters, mains, rights-of-way and other capital items to render an adequate water service.

Applicant proposes to borrow from Citizens Commercial and Savings Bank at Soquel, the sum of \$15,000 to enable him to meet his capital requirements, said sum to be represented by a note to be repaid in installments of \$125 or more per month plus interest at the rate of 6 percent per annum, payment to be secured by a deed of trust covering applicant's real property.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the request of applicant should be granted, as herein provided, and that the money, property or labor to be procured or paid for through the issue of said note is reasonably required for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:

1. C. L. Beltz, after the effective date hereof and on or before December 31, 1947, may execute a deed of trust in, or substantially in, the same form as that filed in this proceeding, and may issue a note in the principal amount of \$15,000 payable in monthly installments of \$125 or more, with interest at the rate of not exceeding 6 percent per annum, for the purpose of financing the cost of capital additions and improvements to his water system to provide service to new consumers.

2. C. L. Beltz shall file with the Commission, on or before January 31, 1948, a copy of the deed of trust and the note as executed and a statement showing in some detail the purposes for which the proceeds realized through the issue of the note were used.

3. The authority herein granted will become effective when C. L. Beltz has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is twenty-five (\$25.00) dollars.

Dated at San Francisco, California, this 10<sup>th</sup> day of October, 1947.

Harold P. Kule  
Justin F. Green  
Jack Russell  
A. Z. D. [unclear]

Commissioners

