

ORIGINAL

Decision No. 42653

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)

of)

SANTA PAULA WATER WORKS, LTD.,)

a corporation, for an Order)
authorizing it to refund unsecured)
notes issued for the purpose of)
financing improvements of its)
facilities.)
-----)Application
No. 30145OPINION AND ORDER

Santa Paula Water Works, Ltd. reports that from January 1, 1947, to March 1, 1949, it expended for capital additions the sum of \$98,454.28. The purposes for which the \$98,454.28 was expended are set forth in Exhibit "A", on file in this application. To obtain funds to pay in part for said capital additions, applicant found it necessary to issue unsecured short-term 4% notes in the amount of \$40,000. The following statement shows the date of the issue of each note, the principal amount of each note issued, the date of maturity of each note, and the payee:

<u>Date Issued</u>	<u>Amount</u>	<u>Date of Maturity</u>	<u>Payee</u>
10/13/48	\$ 4,000.00	4/13/49	Security First National Bank
10/19/48	3,000.00	4/19/49	Security First National Bank
6/12/48	4,000.00	6/12/49	Thermal Belt Mutual Water Co.
12/ 1/48	2,000.00	4/ 1/49	Farmers Irrigation Company
12/22/48	6,000.00	6/22/49	Security First National Bank
12/13/48	2,000.00	12/13/49	Farmers Irrigation Company
1/10/49	4,000.00	1/10/50	Farmers Irrigation Company
1/21/49	10,000.00	1/21/50	C. C. Teague
4/10/49	5,000.00	4/10/50	Farmers Irrigation Company
	<u>\$40,000.00</u>		

Applicant asks permission to refund said \$40,000 of notes through the issue of unsecured promissory notes which will become due as follows: \$8,000 face value on April 1, 1950, \$8,000 face value on April 1, 1951, \$8,000 face value on April 1, 1952, \$8,000 face value on April 1, 1953, and \$8,000 face value on April 1, 1954. The new notes will be issued at not less than their face value, and bear interest at the rate of 4% per annum, payable quarterly.

Applicant reports for 1948 operating revenues of \$114,722.22 and net income of \$28,400.60. During the year it paid on its outstanding stock (\$246,200) dividends in the amount of \$22,503.

The Commission has considered this application and is of the opinion that a public hearing thereon is not necessary, that the money, property or labor to be procured or paid for by the issue of the notes herein authorized is reasonably required by Santa Paula Water Works, Ltd. for the purposes herein stated, which purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income, and that this application should be granted; therefore,

IT IS HEREBY ORDERED as follows:

1. Santa Paula Water Works, Ltd. may issue, for the purpose of refunding notes, at not less than their face value, unsecured promissory notes of the aggregate face value of \$40,000 payable as follows: \$8,000 face value on or before April 1, 1950, \$8,000 face value on or before April 1, 1951, \$8,000 face value on or before April 1, 1952, \$8,000 face value on

or before April 1, 1953, and \$8,000 face value on or before April 1, 1954. Said notes are to bear interest at the rate of 4% per annum, payable quarterly.

2. The authority herein granted will become effective when Santa Paula Water Works, Ltd. has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is forty (\$40.00) dollars.

3. Within thirty (30) days after the issue of the notes herein authorized, or any of them, Santa Paula Water Works, Ltd. shall file with the Commission a copy of each note issued under the authority herein granted, together with a statement showing the purpose or purposes for which the proceeds of the notes were used.

Dated at San Francisco, California, this 29th day of March, 1949.

R. J. Dinsmore
Justus P. Cassin
Geoff. H. Vassell
Harold F. Huls
Commissioners

