

**ORIGINAL**

Decision No. 46482

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of LOS LOMAS WATER COMPANY, a corpora- tion, for an order authorizing the execution of an installment note. -----	) ) ) ) ) )	Application No. 32848
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OPINION AND ORDER

Los Lomas Water Company, applicant herein, is a California corporation engaged in supplying water to approximately 140 customers in Los Lomas subdivision, three miles southeast of the City of Watsonville, in Monterey County. (1) In this application it seeks authority to issue a note for \$2,100 for the purpose of paying, in part, obligations incurred or to be incurred for certain replacements, enlargements and repairs, as follows:

(a)	To the Murphy Pump and Supply Company for supplying and installing the following equipment:	
	1 six-inch Smith-Way turbine pump, complete with 25 H.P. motor, power panel, and other accessories	\$1,774.81
	Sales tax	53.05
	Electrical installation	16.88
	Pump installation	63.00
(b)	Labor	147.00
(c)	Booster pump repairs and reconditioning	81.00
(d)	Welding	18.00
	<b>Total</b>	<u><u>\$2,153.74</u></u>

The proposed note will be issued to Bank of America National Trust and Savings Association, Watsonville Branch, and will be payable in quarterly installments of \$525 with interest at the rate of 6% per annum. The note will be endorsed by John T. Porter Company,

(1) Applicant reports its net investment in its properties as of December 31, 1950, at \$19,390.17. Its gross revenues for 1950 amounted to \$3,151.61 and its expenses, exclusive of depreciation, to \$2,911.00.

applicant's principal stockholder. (2)

Although the proposed note, by its terms, will be payable twelve months after date of issue, applicant has informed the Commission that in its opinion the renewal of the obligation will be necessary and that accordingly it has asked the Commission at this time to authorize the issue.

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

IT IS HEREBY ORDERED as follows:

1. Los Lomas Water Company, after the effective date hereof and on or before February 29, 1952, may issue a note in the principal amount of \$2,100 in, or substantially in, the same form as that filed in this proceeding as Exhibit C, for the purpose of paying outstanding obligations as set forth in this application.

2. Applicant may, if it so desires, renew said note, or any unpaid portion thereof, from time to time for a total period of not to exceed five (5) years after the date of the first note issued under the authority herein granted.

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(2)

Information filed with the Commission in an earlier proceeding (Application No. 23709) shows that John T. Porter Company is a corporation which has undertaken to subdivide approximately 800 acres of land lying westerly of the main line of the Southern Pacific Railroad between Watsonville Junction and Salinas.

3. Los Lomas Water Company shall file with the Commission monthly reports as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

4. The authority herein granted will become effective when Los Lomas Water Company has paid the minimum fee prescribed by Section 1904 of the Public Utilities Code, which fee is twenty-five (\$25.00) dollars.

Dated at San Francisco, California, this 14<sup>th</sup> day of December, 1951.

A. J. [Signature]  
President

Justice J. [Signature]

Harold [Signature]

[Signature]  
[Signature]

Commissioner's

