

Decision No. 50318

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)	
of Bay Water Company for Authority	:	Application
to renew bank notes in the amount)	No. 35624
of \$135,000.	:	
-----)	

OPINION AND ORDER

This is an application for an order authorizing Bay Water Company to issue one or more promissory notes in the aggregate amount of \$135,000 for the purpose of refunding outstanding indebtedness.

The application shows that applicant is a water corporation operating in unincorporated territory in the County of Contra Costa approximately three miles southwest of Pittsburg,^{1/} that as of May 31, 1954, it had invested \$429,763.10 in fixed capital and that it had financed itself in part through the issue to Bank of America National Trust and Savings Association of \$135,000 in principal amount of promissory notes due July 23, 1954, with interest at the rate of 5.5% per annum. The notes referred to, two in number, consist of a \$25,000 note issued under authority of this Commission's Decision No. 49618, dated February 2, 1954, in Application No. 35080, and one in the amount of \$110,000, issued in accordance with Decision No. 48902, dated August 4, 1953, in Application No. 34530.

Applicant advises that the holder of the notes has indicated its willingness to renew the same for a term up to an additional period of one year, that is, up to July 23, 1955, with interest at

^{1/} For the year 1953 applicant reported operating revenues of \$82,700.29 and net income of \$14,357.26. For the five months ended May 31, 1954, corresponding figures were \$31,036.42 and \$4,429.33.

the same rate. Applicant accordingly seeks the Commission's authorization so as to enable it to issue its renewal notes.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for by the issue of the note, or notes, herein authorized 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,

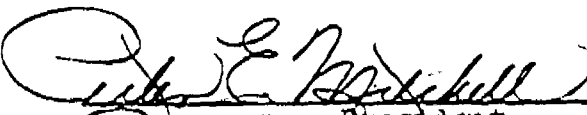
IT IS HEREBY ORDERED as follows:

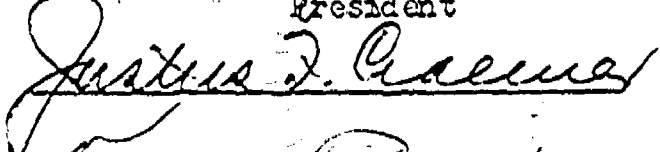
1. Bay Water Company may issue one or more promissory notes, in amounts aggregating \$135,000, for a term of not exceeding one year with interest at the rate of 5.5% per annum, for the purpose of refunding existing notes of like amount.


2. Applicant 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.


3. The authority herein granted will become effective upon the date hereof.

Dated at San Francisco, California, this 3rd day of August, 1954.



President






Commissioners