

Decision No. 50368

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
FRANK ROGINA for order authorizing
the execution and issue of a promissory
note.

} Application
No. 35613

OPINION AND ORDER

In this application Frank Rogina, an individual doing business as Rogina Water Company, requests the Commission to issue its order authorizing him to issue his promissory note in the principal amount of \$6,500.00 for the purpose of refunding an outstanding bank loan and of prepaying the balance due on a consumer's advance for construction.

Applicant is engaged in the business of supplying water for domestic and other purposes to approximately 215 consumers in the Talmage-Rogina Heights area near Ukiah, Mendocino County. (1) In this application he reports that he has received refundable advances for construction from a consumer on which there is a balance of \$2,874 remaining to be paid. The consumer has indicated a willingness to discount the balance due in the approximate amount of 20% if immediate refund is made. Investigation by the staff indicates that the \$2,874 would be refunded in full within the ten year period provided for in applicant's rules and regulations.

(1) In his annual report to the Commission for the year 1953, applicant shows his net investment in the business to be approximately \$55,000, his gross revenue for the year at \$8,847.65 and his net income at \$729.21 before deduction for federal taxes on income.

Under authority granted by this Commission's Decision No. 47723, dated September 24, 1952, in Application No. 33724, applicant has issued his promissory note in the principal amount of \$7,500 to Bank of America National Trust and Savings Association and has executed a deed of trust and a mortgage of chattels to secure payment of said note. The unpaid balance on this note is reported to be \$4,078.

Applicant now desires to issue a new note to Bank of America National Trust and Savings Association in the principal amount of \$6,500 and to use the proceeds to refund the balance due on the presently outstanding note and to provide funds with which to pay off, at a discount, the \$2,874 balance remaining unpaid on the consumer's advance. The new note is to be repaid in monthly installments of \$128 with interest at the rate of 6% per annum on the decreasing balances. The new note would be secured by the deed of trust and mortgage of chattels previously authorized by this Commission.

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 herein authorized is reasonably required by applicant for the purposes specified herein, and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Frank Rogina, after the effective date hereof, and on or before December 31, 1954, may issue a note in the principal amount of not exceeding \$6,500 for the purposes set forth in this application.

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 when applicant has paid the minimum fee prescribed by Section 1904 (b) of the Public Utilities Code, which fee is \$25.00.

Dated at San Francisco, California, this 10th day of August, 1954.

Robert E. McMillan
President

Justus J. Casper

Frederick J. Potts

James J. Higgins

Commissioners

