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Decision No. 54673

A.38863

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTEERN CALIFORNIA WATER COMPANY for authority to issue its promissory notes.

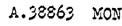
Application No. 38863

OPINION AND ORDER

This is an application by Southern California Water Company for authorization to issue \$2,100,000 of notes for the purpose of refinancing existing indebtedness.

The application shows that heretofore the company has entered into arrangements to borrow \$3,000,000 from Earris Trust and Savings Bank, at any time or from time to time until March 1, 1957, each borrowing to be evidenced by an unsecured promissory note maturing 12 months after the first borrowing and bearing interest at the prime commercial rate of said bank in effect at the date of the note, and that prior to March 1, 1957, the company borrowed or arranged to borrow the sum of \$2,100,000 to finance, in part, the cost of properties, this amount being represented by notes due April 11, 1957 and bearing interest at rates of $3\frac{1}{2}$ %, 3-3/4% and lately at 4%. According to the application, the company has made arrangements to postpone until December 2, 1957, the maturity date of the indebtedness represented by the \$2,100,000 of notes, and to accomplish the extension by the issue of new notes in like aggregate principal amount.

- 1 -



The Commission has considered the request of the company to issue new notes and is of the opinion that a public hearing is not necessary, that the application should be granted, that the money, property or labor to be procured or paid for by the issue of the new 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. Southern California Water Company may issue its note, or notes, in the aggregate sum of not exceeding \$2,100,000, on or before December 2, 1957, under the terms of its agreement with Harris Trust and Savings Bank, for the purpose of refinancing outstanding indebtedness of like amount.

2. Southern California Water Company shall file with the Commission a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

3. The authorization herein granted is for the issue of notes only and is not to be construed as indicative of amounts to be included in a future rate base for the purpose of determining just and reasonable rates.

- 2 -

A.38863 MON

4. The authority herein granted will become . effective when Southern California Water Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$1,550.

	Dated at	San Francisco	, California, this 19th
of	March	_, 1957.	
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Commissioners PUBLIC UTILITIES COMMISSION STATE OF CALIFORNIA MAR 21 1957 MAR 21 1957

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