

**ORIGINAL**

Decision No. 542763A

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of LONE PINE WATER COMPANY for authority to issue and deliver its promissory notes representing loans not exceeding an aggregate principal amount of \$15,000.00.

Application No. 39445

OPINION AND ORDER

Lone Pine Water Company, a corporation, has filed this application for authorization to issue a note in the principal amount of \$15,000 for the following purposes:

(1)	To pay existing indebtedness . . .	\$ 2,000
(2)	To provide for additions and improvements . . . . .	<u>13,000</u>
	Total	<u>\$15,000</u>

The loan will be obtained from Small Business Administration with participation on the part of the Bank of America National Trust and Savings Association, Lone Pine Branch, to the extent of 25 per cent. The loan will be payable in monthly installments over a period of five years with interest at the rate of 6 per cent per annum.

The company's financial statement filed with the Commission shows its net investment in utility plant, as of June 30, 1957, at \$43,765, with long-term debt of only \$2,634, the cost of the plant having been financed almost entirely with proprietary capital.

The statement shows current assets of \$1,877 and current liabilities of \$2,663.

From a review of the application, it appears that the company will have need for external funds if it is to proceed with the contemplated additions and improvements. Accordingly, we are of the opinion and so find 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, that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income, and that an ex parte order should be entered in this proceeding; therefore,

IT IS HEREBY ORDERED as follows:

1. Lone Pine Water Company may issue its note in the principal amount of not exceeding \$15,000 under the terms and for the purposes set forth in this application.
2. Lone Pine Water Company shall file with the Commission a monthly 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 a note only and is not to be construed as indicative of amounts to be included in a future rate base for the determination of just and reasonable rates.

4. The authority herein granted will become effective when Lone Pine Water Company has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.

Dated at San Francisco, California, this 17<sup>th</sup> day of MARCH, 1958.

[Signature]  
President

[Signature]

[Signature]

[Signature]

Commissioners

