

ORIGINAL

Decision No. 56392

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

AZUSA VALLEY WATER COMPANY,
a corporation,

For authority to borrow money and
execute a Loan Agreement, Mortgage
and Promissory Notes.

Application No. 37877
(Third Supplemental)

FOURTH SUPPLEMENTAL ORDER

Under authorization granted by Decision No. 52885, dated April 17, 1956, as amended and supplemented, Azusa Valley Water Company executed a loan agreement with The Lincoln National Life Insurance Company whereby that company agreed to make \$1,000,000 available to the utility. The decisions of the Commission authorized Azusa Valley Water Company to draw down \$775,000 of the credit thus established and to issue its 4-1/2% notes, due February 29, 1976, in evidence of the amounts borrowed.

In a supplemental application filed March 7, 1958, Azusa Valley Water Company seeks authorization to borrow the remaining \$225,000 and to issue notes in that amount, similar in form to those heretofore issued, for the purpose of paying indebtedness and of financing the cost of water works facilities.

The Commission has considered this supplemental application and is of the opinion that an ex parte order should be entered granting the company's request, as herein provided, that the money,

property or labor to be procured or paid for by the issue of the notes herein authorized is reasonably required 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. Azusa Valley Water Company may issue its promissory note, or notes, on or before June 30, 1958, in the principal amount of not exceeding \$225,000, under the terms set forth in this proceeding, and use the proceeds for the following purposes:

To pay short-term note	\$ 60,000
To install approximately 6,200 ft. of 12-3/4" O.D. pipe on Azusa Avenue	40,000
To pay refunds due May 1, 1958, on subdividers' advance contracts for revenues from said contracts received in the calendar year 1957 .	90,000
To provide additional back-up facilities	<u>35,000</u>
Total	<u>\$225,000</u>

2. Azusa Valley 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 authority herein granted will become effective when Azusa Valley Water Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$225.

Dated at San Francisco, California, this 25th day of MARCH, 1958.

[Signature]
President
[Signature]
[Signature]
[Signature]

Commissioners

