

ORIGINAL

Decision No. 50782

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of CORONA CITY WATER COMPANY, a California corporation, for a permit authorizing it to issue and sell Series "B" First Mortgage and Collateral Bonds and to mortgage its properties.

Application No. 39232
(Petition for Modification)

FIRST SUPPLEMENTAL ORDER

By Decision No. 55459, dated August 27, 1957, the Commission authorized Corona City Water Company to issue and sell \$250,000 of bonds. The Commission's order permitted the use of \$194,500 of the proceeds to pay short-term bank loans, to pay open account indebtedness and to finance construction costs, but provided that the remaining \$55,500 of proceeds should be placed in a special bank account pending further order of the Commission.

The company has sold the bonds and has retained the \$55,500 of proceeds. It reports that it has need for funds to pay for capital improvements other than those originally outlined in its application and, in a petition for modification filed May 9, 1958, it seeks authorization to utilize the money now idle in the special bank account, on which it is paying interest, to finance the following expenditures:

| | |
|--|--------------------|
| 1. <u>Williams line:</u> Install 6,776 feet of 10-inch cement-lined steel pipe | \$22,260.31 |
| 2. <u>Flagler line:</u> Install 8,200 feet of 10-inch cement-lined steel pipe (cost of pipe: \$19,509.34; estimated cost of installation, at 60¢ per foot: \$4,920.00) | 24,429.34 |
| 3. <u>Coronita line:</u> 3,900 feet of center- lining | <u>11,525.57</u> |
| Total | <u>\$58,215.22</u> |

The Commission has considered the petition and is of the opinion the company's request should be granted, therefore,

IT IS HEREBY ORDERED as follows:

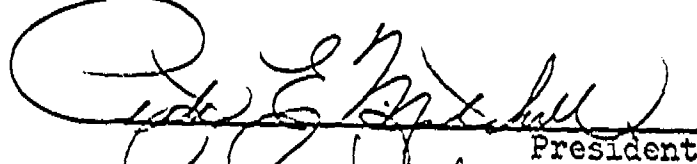
1. The Order in Decision No. 55459, dated August 27, 1957, hereby is modified so as to relieve Corona City Water Company of the requirement of retaining, in a special bank account, \$55,500 of the proceeds from the sale of the bonds authorized by said decision.

2. Corona City Water Company is authorized to use said \$55,500 of proceeds to finance, in part, the construction costs referred to in Exhibit A attached to the petition for modification filed on May 9, 1958, it being the opinion of the Commission that the expenditure of the proceeds for said purpose is reasonably required by applicant and is not, in whole or in part, reasonably chargeable to operating expenses or to income.

3. The authorization herein granted 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.

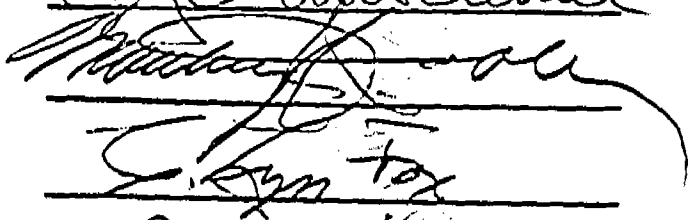
4. This first supplemental order will become effective on the date hereof.

Dated at San Francisco, California,
this 4th day of June, 1958.



President







Commissioners