

ORIGINAL

Decision No. 57178

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of CLARENCE F. BERTSCH
requesting permission to encumber
LOLETA WATER WORKS for \$10,000.00

} Application No. 40299

OPINION AND ORDER

Clarence F. Bertsch, the owner and operator of Loleta Water Works, has filed this application for authorization to issue a note in the principal amount of \$10,000 and to execute a deed of trust.

The application shows that pursuant to authorization granted by Decision No. 50308, dated July 27, 1954, applicant Bertsch issued to P. C. Lorenzen his promissory note for \$10,000, that such note has been reduced to \$7,210, that said Lorenzen now desires to be paid out, and that applicant Bertsch accordingly has made arrangements to borrow \$10,000 from the Bank of Loleta to liquidate the indebtedness of \$7,210 and to obtain an additional \$2,790 to provide the estimated cost of \$1,600 for improvements to his water system and to discharge other indebtedness of approximately \$1,200.

The borrowing will be represented by a note payable in monthly installments of \$100 or more, with interest at the rate of 6 per cent per annum on the unpaid principal. The borrowing will be secured by a deed of trust.

The Commission has considered this matter 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 note 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; NOW THEREFORE,

IT IS HEREBY ORDERED as follows:

1. Clarence F. Bertsch, on and after the effective date hereof and on or before September 30, 1958, may issue a note in the principal amount of not exceeding \$10,000 for the purposes set forth in this application, and may execute a deed of trust, which note and deed of trust shall be in, or substantially in, the same form as those filed in this proceeding.

2. The authorization herein granted is for the issue of a note and the execution of a deed of trust 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.

3. Clarence F. Bertsch 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.

4. The authority herein granted will become effective when Clarence F. Bertsch 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 19th day of August, 1958.

E. Lynn Fox
President
Clarence F. Bertsch
William J. ...
Thomas J. ...
Commissioners

