

ORIGINAL

Decision No. 59750

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of DUARTE WATER COMPANY
to issue note and mortgage under
Loan Agreement with Pacific Mutual
Life Insurance Company

Application No. 41630
(First Supplemental)

FIRST SUPPLEMENTAL OPINION AND ORDER

By Decision No. 59308, dated December 1, 1959, in the above-entitled and numbered matter, the Commission authorized Duarte Water Company to execute a loan agreement and a mortgage and to issue its 5-1/2 per cent promissory notes in the aggregate principal amount of not to exceed \$200,000.

One of the conditions of the loan agreement reads as follows:

"The action known as City of Duarte v. Duarte Water Company, et al., No. 730629 in the Superior Court of the State of California, in and for the County of Los Angeles, which is referred to in Item 2 of Exhibit 'B' hereof, shall have been dismissed without resulting in any condemnation of Borrower's property; and Lender shall have received a certified copy of a Judgment of Dismissal thereon certified as a true copy by the Clerk of said court."

Applicant reports that its efforts to comply with such condition have been unsuccessful, and the lender, Pacific Mutual Life Insurance Company, has consented to a waiver of the condition, provided the interest rate on the loan is increased from 5-1/2 per cent to 6 per cent per annum, which is alleged to be the current prevailing rate.

In its first supplemental application filed in this proceeding on February 9, 1960, applicant requests authority to execute an amendment to such loan agreement, and a mortgage, and to issue notes, which will eliminate said condition and provide for an interest rate of 6 per cent per annum.

The Commission has considered this first supplemental application and is of the opinion that a public hearing is not necessary, and that the requests should be granted, therefore,

IT IS HEREBY ORDERED as follows:

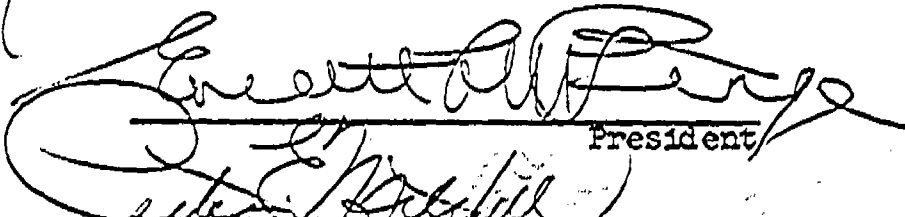
1. That Ordering Paragraph 1 of Decision No. 59308, dated December 1, 1959, be, and it hereby is, amended to read as follows:

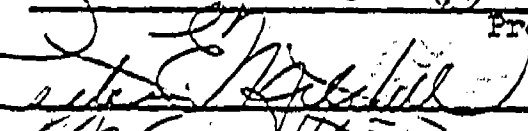
"Duarte Water Company, on or before May 1, 1961, may execute a loan agreement, an amendment to loan agreement and a mortgage, and may issue its 6 per cent promissory notes in the aggregate principal amount of not to exceed \$200,000 for the purpose set forth in this application, said instruments to be in, or substantially in, the same form as that attached to the original application with respect to the loan agreement, and to the first supplemental application with respect to the amendment to loan agreement, mortgage and promissory notes."


2. That Decision No. 59308, dated December 1, 1959, shall remain in full force and effect except as modified by this first supplemental opinion and order.

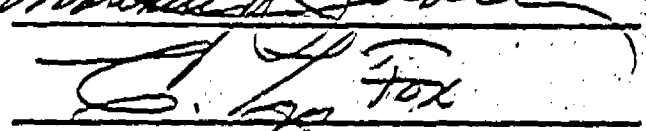
3. That this first supplemental opinion and order shall become effective on the date hereof.

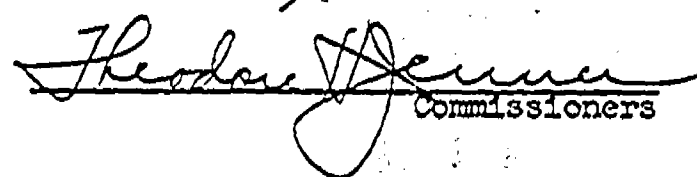
Dated at San Francisco, California,
this 8th day of March, 1960.



President








Commissioners