

Decision No. 59802

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
PACIFIC WATER CO., a California
corporation, for authority under
Section 818 of the Public Utilities
Code to execute notes payable at
periods of more than twelve months
after the date of original issuance.

Application No. 41980

OPINION AND ORDER

In this application filed on February 24, 1960, Pacific Water Co. seeks authorization to issue renewal notes in the aggregate principal amount of \$150,000.

By Decision No. 57003, dated July 22, 1958, in Application No. 40202, applicant was authorized to issue its promissory notes in the aggregate principal amount of not to exceed \$150,000, to refund outstanding indebtedness, and to renew said notes from time to time, in whole or in part, through the issue of 90-day notes. It was applicant's intention to refund the promissory notes prior to June 30, 1959 through use of proceeds from a contemplated issue of its bonds.

Under the authority thus granted, applicant reports that it did issue its promissory note in the amount of \$150,000 and, from time to time, renewed such promissory note. Applicant further reports that it did not sell additional bonds as contemplated and through inadvertence, the promissory note was again

renewed on September 28, 1959, which date is subsequent to the expiration of the authority granted by Decision No. 57003. The renewal note thus issued became due and payable December 31, 1959.

Pending sale of bonds which it now proposes to complete in the second quarter of 1960, applicant requests that it be authorized to refund its outstanding note through the issue of 90-day renewal notes from time to time prior to September 30, 1960. Such notes will bear interest at the rate of 6-1/2 per cent per annum.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the money, property or labor to be procured or paid for by the issue of the notes herein authorized is reasonably required by applicant for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Pacific Water Co., on and after the effective date hereof, and on or before September 30, 1960, may issue its promissory notes in the aggregate principal amount of not to exceed \$150,000, payable within 90 days of date of issue, bearing interest at the rate of not to exceed 6-1/2 per cent per annum, in exchange for presently outstanding indebtedness and may renew said notes from time to time, in whole or in part, on or before September 30, 1960 through the issue of 90-day notes.

2. Pacific Water Co. shall file with the Commission monthly 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 is for the issue of notes 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.

4. The authority herein granted shall become effective upon the date hereof.

Dated at San Francisco, California, this 22nd day of March, 1960.

President

Commissioners

Commissioners

Commissioners

Commissioners