

ORIGINAL

Decision No. 61467

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of Alisal Water Corporation doing business under the firm name and style of ALCO WATER SERVICE, for permission to execute and issue promissory note or notes and Deed of Trust and Chattel Mortgage to the Crocker-Anglo National Bank (Salinas Office), a National Banking Association.

Application No. 43072

OPINION AND ORDER

On January 16, 1961, Alisal Water Corporation filed this application for authorization to execute a deed of trust and a mortgage of chattels and to issue a note, or notes, in the total principal amount of \$58,615.61.

Alisal Water Corporation, a corporation, is engaged in operating a public utility water system near Salinas under the firm name and style of Alco Water Service. It proposes to issue a note, or notes, to refinance indebtedness represented by outstanding long-term and short-term notes having October 31, 1960 balances of \$10,076.54 and \$32,939.07, respectively, and to obtain funds to finance additional plant expenditures aggregating \$15,600.00. The note, or notes, will be in favor of Crocker-Anglo National Bank in the total principal amount of not to exceed \$58,615.61 and will be payable in monthly installments of \$500 for the first two years, and \$700 for the next five and one-half

years, together with interest on the unpaid principal at the rate of 7% per annum. Payment of the note, or notes, will be secured by a deed of trust and a mortgage of chattels.

Upon reviewing this application and the financial statements attached thereto, we find and conclude that applicant's properties and earnings should be ample to service the proposed note, or notes; that it is necessary for applicant to resort to external financing in order to meet its capital requirements; that the money, property or labor to be procured or paid for by the issue of the note, or notes, is reasonably required by applicant 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. Alisal Water Corporation, on or after the effective date hereof and on or before May 31, 1961, may issue a note, or notes, in the total principal amount of not to exceed \$58,615.61 for the purposes set forth in this application, and may execute a deed of trust and a mortgage of chattels, in, or substantially in, the same form as those filed in this proceeding.

2. The authorization herein granted is not to be construed as a finding of value of applicant's properties nor as indicative of amounts to be included in a future rate base for the purpose of determining just and reasonable rates.

3. Alisal Water Corporation 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. This order shall become effective when Alisal Water Corporation has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$49.

Dated at San Francisco, California,
this 14th day of FEBRUARY, 1961.

George W. Brown
President

John E. Mitchell

Carl Fox

George L. Brewer

Frederick B. Holloff
Commissioners

