

ORIGINAL

Decision No. 65281

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application

of WINTON WATER COMPANY, INC.,
a California corporation, for
permission to issue its
promissory note, under
authority of Public Utilities
Code Sections 816-830

Application No. 45299
Filed April 1, 1963

O P I N I O N

Winton Water Company, Inc., applicant herein, is a California corporation engaged in business as a public utility water corporation in and near the community of Winton, Merced County. In this application it seeks an order from the Commission authorizing it (1) to issue an unsecured note in the principal amount of \$24,000 in favor of J. Vernon Ivers and Maud G. Ivers, his wife, bearing interest at the rate of 5-3/4% per annum, payable monthly, with principal payable in monthly installments of \$200 or more, and (2) to execute an indemnity agreement under which (a) A. E. Heppner, president and principal stockholder of applicant, agrees to assume personal liability upon said \$24,000 note, and (b) applicant agrees to hold harmless said A. E. Heppner and to indemnify him for any sums which he shall pay by reason of any default or failure on the part of applicant to pay said note or any portion thereof as it becomes due.

The proposed borrowing is for the purpose of obtaining funds (1) to repay outstanding past due accounts payable aggregating \$22,355.44, of which approximately one-half was for capital improvements by Worthington Corporation (Wintroath Pumps), and the balance is owing for accounting, engineering and legal services, (2) for working capital, and (3) for improvements to applicant's system.

The Commission has considered this matter and finds that the proposed borrowing will enable applicant to spread a portion of its indebtedness over a ten-year period, thus easing its financial burden, and 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, which purposes, except as otherwise authorized, are not, in whole or in part, reasonably chargeable to operating expenses or to income. A public hearing is not necessary.

The authorization herein granted shall not be construed as indicative of amounts to be included in future proceedings for the purpose of fixing just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. Winton Water Company, Inc., on or after the effective date hereof and on or before September 30, 1963, for the purposes set forth in this proceeding, may issue a promissory note in the principal amount of not to exceed \$24,000, which note shall be in the same form, or substantially in the same form, as that attached to the application as Exhibit D.

2. Winton Water Company, Inc., may execute an indemnity agreement in the same form, or substantially in the same form, as that attached to the application as Exhibit C.

3. Winton Water Company, Inc., 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 Winton Water Company, Inc., 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 1st day of MAY, 1963.

George H. Hoover
President

[Signature]
[Signature]

William W. Bennett

Commissioner Frederick B. Holoboff, being necessarily absent, did not participate in the disposition of this matter.
Commissioners

PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
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BY [Signature]