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Decision No. \_\_\_\_\_

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

APPLICATION OF SATICOY WATER COMPANY,  
A CALIFORNIA CORPORATION, FOR AUTHORITY  
TO BORROW UP TO \$200,000.00 and ISSUE  
NOTES, DEED OF TRUST, AND CHATTEL  
MORTGAGE SECURING SAID INDEBTEDNESS:

Application No. 45973  
Filed November 19, 1963

O P I N I O N

This is an application for an order of the Commission authorizing Saticoy Water Company, a corporation, applicant herein, to execute a mortgage of chattels and a deed of trust, and to issue notes in the aggregate principal amount of not to exceed \$200,000.

Applicant is a California corporation providing public utility water service in portions of Ventura County. The company reports that it has made arrangements with the Bank of A. Levy to borrow up to \$200,000 to be evidenced by notes providing for interest based upon the prime rate as established from time to time on the financial market of New York plus 1-1/2%. The notes will not require applicant to make any payment of principal or interest until December 15, 1965; thereafter applicant will be required to make equal annual payments calculated to cause the payment in full of principal and interest by December 1, 1983. Payment of the notes will be secured by a mortgage of chattels and a deed of trust.

The company proposes to apply the proceeds to be derived from issuing the notes as follows:

Retire current short-term obligation	\$ 20,000
Retire five-year notes	51,000
1,000 meters	35,000
12" and 14" transmission mains	20,000
Replace existing steel mains	10,000
Completion of current projects in process of construction	25,000
Purchase main extension agreements	<u>39,000</u>
Total	<u>\$200,000</u>

The Commission has considered this matter and is of the opinion, and finds, that (1) the proposed note issues are for proper purposes; (2) the money, property or labor to be procured or paid for by the issue of the notes herein authorized is reasonably required for the purposes specified herein; and (3) such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income. A public hearing is not necessary.

On the basis of the foregoing findings, we conclude that the application should be granted. The authorization thus granted is not to be construed as indicative of amounts to be included in future proceedings for the purpose of determining just and reasonable rates, nor is it to be construed as authorizing applicant to apply any of the note proceeds in a manner contrary to provisions of the applicable main extension rule.

O R D E R

IT IS ORDERED that:

1. Saticoy Water Company, a corporation, on or after the effective date hereof and on or before December 31, 1965, may execute a mortgage of chattels and a deed of trust and may, for the purposes set forth in this proceeding, issue notes in the aggregate principal amount of not to exceed \$200,000, in accordance with the provisions of its loan agreement with Bank of A. Levy, a copy of which is attached to the application as Exhibit H.

2. Saticoy Water Company, a 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.

3. This order shall become effective when Saticoy Water Company, a corporation, has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$149.

Dated at San Francisco, California, this 10<sup>th</sup> day of DECEMBER, 1963.

William L. Bennett  
President

[Signature]  
[Signature]

George T. Grover

Fredrick B. Holbrook  
Commissioners

