

ORIGINAL

Decision No. 67447

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of SOUTHWEST WATER COMPANY, a
California corporation, for
authority to lend funds, the
security for which will be
all of the common stock of
La Mirada Water Company.

Application No. 46742
Filed June 19, 1964

O R D E R

This is an application for an order of the Commission authorizing Southwest Water Company to lend \$263,000 to the shareholders of La Mirada Water Company.

Applicant indicates an intent to acquire all of the assets of La Mirada Water Company. Request for authorization to transfer will be the subject of a future application. However, as an accommodation to the shareholders of La Mirada Water Company, applicant now proposes to lend them \$263,000 to be repaid by cancellation of the obligation at the time of consummating the intended acquisition. The loan will bear interest at the rate of 6% per annum and will be secured by all of the outstanding capital stock of La Mirada Water Company. The source of funds to facilitate the interim loan will be a demand loan from United California Bank which loan, in turn, will be secured by all of the outstanding capital stock of La Mirada Water Company.


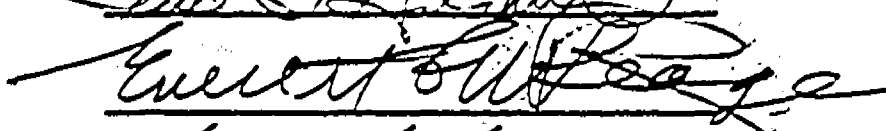
Section 852 of the Public Utilities Code prohibits a public utility from purchasing, acquiring, taking or holding capital stock of any other California public utility without first having been authorized to do so by this Commission.

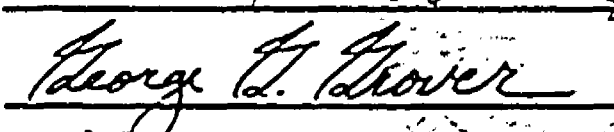
A public hearing is not necessary. Finding that the loan would not be adverse to the public interest, IT IS ORDERED that Southwest Water Company is authorized to make the loan as requested in the application.

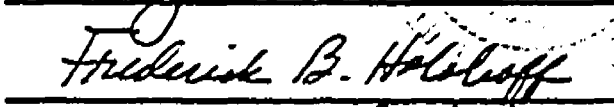
The action taken herein shall not be construed as an indication of whether or not the Commission, in a future proceeding, will authorize La Mirada Water Company to transfer the whole or any portion of its water system to applicant.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 29th day of JUNE, 1964.


 _____ President





 _____ Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.