

ORIGINAL

Decision No. 73218

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application)
of SOUTHERN CALIFORNIA WATER)
COMPANY for authority to refund)
certain notes.)

Application No. 49701
Filed October 2, 1967

O P I N I O N

This is an application for an order of the Commission authorizing Southern California Water Company to issue \$2,600,000 aggregate principal amount of its promissory notes.

Applicant is a California corporation operating public utility water systems in portions of the Counties of Contra Costa, Imperial, Kern, Los Angeles, Orange, Sacramento, San Bernardino and Ventura. In addition, the company provides electric service in the vicinity of Big Bear Lake in San Bernardino County. For the twelve months ended August 31, 1967, the utility reports total operating revenues of \$10,752,968 and a net income of \$1,596,358.

The application shows that on November 15, 1967, applicant will have outstanding \$2,600,000 of short-term indebtedness represented by unsecured notes in favor of Harris Trust and Savings Bank and United California Bank. The application shows further that applicant used, or will use, the note proceeds for financing, in part, the cost of its property acquisitions and for construction, completion, extension or improvement of facilities for 1966 and 1967.

The utility proposes to refund said \$2,600,000 of notes by issuing new notes to mature as to principal on December 31, 1968, and to bear interest at the prime commercial rate of the lending banks in effect at the time of the date of the new notes.

The Commission has considered this matter and finds that: (1) the proposed notes are for a proper purpose; (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 purpose specified herein; and (3) such purpose is 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 herein granted is for the purpose of this proceeding only and is not to be construed as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. Southern California Water Company, on or after the effective date hereof and on or before December 31, 1967, for the purpose specified in this proceeding, may issue its promissory notes in the aggregate principal amount of not

exceeding \$2,600,000, to mature as to principal on December 31, 1968, and to bear interest at the prime commercial rate of the lending banks in effect on the date of said notes.

2. Southern California Water Company shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

3. This order shall become effective when Southern California Water Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$1,800.

Dated at San Francisco, California,
this 24th day of OCTOBER, 1967.

[Signature]
President

[Signature]

[Signature]

[Signature]

[Signature]
Commissioners

