

ORIGINAL

Decision No. 74072

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of Southern California Water )  
Company for an Order (i) )  
Authorizing the Issuance of )  
Evidence of Indebtedness for )  
the Acquisition of Property )  
and (ii) Authorizing the )  
Encumbrance of Property to be )  
Acquired. )

Application No. 50175  
Filed April 17, 1968

O P I N I O N

This is an application for an order of the Commission authorizing Southern California Water Company to execute and deliver a deed of trust and to issue a note in the principal amount of \$652,500.

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 at Bear Valley in San Bernardino County. For the twelve months ended February 29, 1968, the utility reports total operating revenues of \$11,033,239 and a net income of \$1,679,782.

The utility proposes to purchase improved real property near downtown Los Angeles for its general office. The purchase price is \$725,000 of which \$72,500 is payable in cash, and the balance of \$652,500 will be represented by a promissory note in favor of Phoenix Insurance Company

repayable in monthly installments of \$4,405.89 or more, including interest computed at the rate of 6-1/2% per annum on unpaid principal. The note will be secured by a purchase money deed of trust.

After consideration the Commission finds that:

(1) the proposed note is for a proper purpose; (2) the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required for the purpose specified herein; (3) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; and (4) the proposed deed of trust will not be adverse to the public interest. 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 July 31, 1968, for the purpose specified in this proceeding, may issue its promissory note in the principal amount of not exceeding \$652,500, which note shall be in the same form, or in substantially the same form, as that attached to the application as Exhibit C.

2. Southern California Water Company may execute and deliver a deed of trust encumbering property described as Lots 6, 7 and 8 of Wellington Place Tract, in the City of Los Angeles, County of Los Angeles, State of California. The deed of trust shall be in the same form, or in substantially the same form, as that attached to the application as Exhibit D.

3. 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.

4. 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 \$653.

Dated at San Francisco, California,  
this 7<sup>th</sup> day of MAY, 1968.

*Edmund E. Mitchell* President  
*William L. Bess*  
*Augustine*  
*William J. Quinn*  
*Paul P. Morrissey* Commissioners

