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ORIGINAL

Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application)	
of SOUTHERN CALIFORNIA WATER)	Application No. 51425
COMPANY for authority to issue)	Filed October 16, 1969
certain notes.)	
_____)	

O P I N I O N

Southern California Water Company requests an order of the Commission authorizing it to issue \$2,500,000 aggregate principal amount of its unsecured promissory notes.

Applicant is a California corporation operating public utility water systems in portions of the Counties of Contra Costa, Imperial, 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, 1969, the utility reports total operating revenues and net income of \$12,931,157 and \$1,936,395, respectively.

The company anticipates that its outstanding indebtedness in favor of Harris Trust and Savings Bank and United California Bank will aggregate \$2,500,000 as of December 31, 1969. Applicant has made arrangements whereby said indebtedness will be represented

by notes maturing no later than December 31, 1970, and will bear interest at the prime commercial rates of the lending banks in effect at the dates of the respective notes.

The utility reports that all the funds obtained, or to be obtained, through incurring said December 31, 1969 indebtedness have been, or will have been, used by it solely for financing part of the cost of its property acquisitions and for construction, completion, extension or improvement of facilities.

After consideration the Commission finds that: (1) the proposed notes 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 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, 1969, for the purposes specified in this proceeding, may issue its promissory notes in the aggregate principal amount of not exceeding \$2,500,000, maturing December 31, 1970, and bearing interest at a rate, or rates, determined in the manner set forth in the application. The notes shall be in the same form, or in substantially the same form, as those filed in this proceeding as Exhibit E.

2. Within thirty days after issuing any of the notes herein authorized, Southern California Water Company shall file with the Commission a copy thereof as actually issued, which filing shall be in lieu of a report under General Order No. 24-B.

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 \$1,750.

Dated at San Francisco, California,
this 4th day of NOVEMBER, 1969.

William Sproule, Jr.
President

August
Blackman

Thompson

Samuel L. Stinson
Commissioners

