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ORIGINAL

Decision No. 80782

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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

Application No: 53682  
(Filed November 10, 1972)

O P I N I O N

Southern California Water Company seeks authority to issue \$1,150,000 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 September 30, 1972, the utility reports total operating revenues and net income of \$16,339,519 and \$2,093,673, respectively.

The company anticipates that its outstanding indebtedness in favor of Harris Trust and Savings Bank and United California Bank will aggregate \$1,150,000 at December 9, 1972. Applicant proposes to refinance said indebtedness by the issuance of new notes which would mature not later than December 8, 1973, and would 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 by the issuance of the notes which will be outstanding on December 9, 1972 have been used by it solely for financing part of the cost of acquisition of property and for construction, completion, extension or improvement of facilities.

After consideration the Commission 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.

On the basis of the foregoing findings we conclude that the application should be granted. A public hearing is not necessary. 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

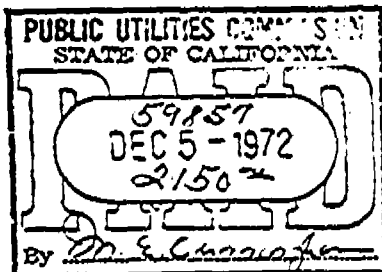
IT IS ORDERED that:

1. Southern California Water Company, on or after the effective date hereof, for the purpose specified in this proceeding, may issue its promissory notes in the aggregate principal amount of not exceeding \$1,150,000, maturing on or before December 8, 1973, and bearing interest at the prime commercial rates of the lending banks in effect at the date of each note.

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 \$2,150.

Dated at San Francisco, California, this 5<sup>th</sup> day of DECEMBER, 1972.



Vernon L. Sturgeon  
President  
William J. ...  
J. William J.  
...  
Commissioners

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding.