

Decision No. 82240**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of )Santa Clarita Water Company for )  
Authority to Issue a \$250,000.00 )  
Promissory Note. )Application No. 54460  
(Filed November 21, 1973)O P I N I O N

Santa Clarita Water Company seeks authority to issue a \$250,000 promissory note.

Applicant is a California corporation owning and operating a public utility water system in Los Angeles County. At June 30, 1973 it reports total assets of \$4,745,468, offset by liabilities and common stock equity in the respective amounts of \$2,679,855 and \$2,065,613, the latter amount including \$712,638 of contributions in aid of construction.

The company reports that it has outstanding a \$250,000 short-term note in favor of Bank of America National Trust and Savings Association and representing indebtedness incurred for improvements to its water system and for paying past due refunds on main extension contracts. Applicant proposes to refinance said note by issuing to the bank a new note in the principal amount of \$250,000, repayable in monthly installments of \$4,960, including interest at the rate of 7% per annum.

After consideration the Commission finds that: (1) the proposed note would be for a proper purpose; (2) the money, property or labor to be procured or paid for by the note 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.

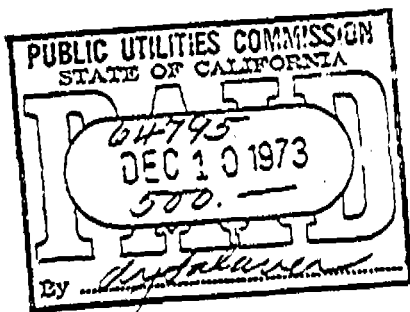
On the basis of the foregoing findings we conclude that the application should be granted. A public hearing is not necessary. The authorization herein granted is for the purpose of this proceeding only and is not to be construed as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. Santa Clarita Water Company, on or after the effective date hereof and on or before March 31, 1974, for the purpose specified in this proceeding, may issue a promissory note in the principal amount of not exceeding \$250,000, which note shall be in substantially the same form as Exhibit B attached to the application.
2. Santa Clarita Water Company shall file with the Commission the report 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 Santa Clarita Water Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$500.

Dated at San Francisco, California, this 7<sup>th</sup> day of December, 1973.



*Veranda L. Spingarn*  
President  
*William J. Spingarn*  
*William J. Spingarn*  
*William J. Spingarn*  
*William J. Spingarn*  
Commissioners