

**ORIGINAL**

Decision No. 83081

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of DONALD J. MANICA )  
 and PHYLLIS A. MANICA dba GROVE )  
 WATER SERVICE under Public )  
 Utilities Code Section 817 for )  
 authority to issue Note or )  
 other evidence of indebtedness )  
 payable at periods of more than )  
 12 months after the date thereof )  
 for the purposes of construction, )  
 completion, extension, improvement )  
 or maintenance of its facilities )  
 and service. )

Application No. 54918  
 (Filed May 31, 1974)

O P I N I O N

Donald J. Manica and Phyllis A. Manica, doing business as Grove Water Service, seek authority to issue an unsecured promissory note in the principal amount of \$13,500.

Applicants operate a public utility water system in the general area of Walnut Grove in Sacramento County. At April 30, 1974, they report total assets of \$21,050, offset by current liabilities and proprietary capital in the respective amounts of \$789 and \$20,261.

Because of the economic development and additional residential units being developed in their service area, applicants propose to install two water storage tanks and replace existing mains at an estimated cost of \$13,650. In order to obtain a portion of the funds for such tanks and mains, including related items, applicants propose to borrow \$13,500 from Bank of Alex Brown. The borrowing would be subject to interest at the rate of not exceeding 10% per annum, and would be evidenced by a promissory note providing for monthly installments of \$250.11.

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. Donald J. Manica and Phyllis A. Manica, on or after the effective date hereof and on or before October 31, 1974, for the purpose specified in this proceeding, may issue a promissory note in the principal amount of not exceeding \$13,500, which note shall be in substantially the same form as that attached to the application.

2. Donald J. Manica and Phyllis A. Manica 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 Donald J. Manica and Phyllis A. Manica have paid the minimum fee required by Section 1904(b) of the Public Utilities Code, which fee is \$50.

Dated at San Francisco, California, this 2nd day of JULY, 1974.

Vernon L. Stier  
President  
William Lyndon J.  
[Signature]  
[Signature]  
Commissioners

Commissioner J. F. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

