

ORIGINAL

Decision No. 85003

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 SANTA PAULA WATER WORKS, LTD., a )  
 California corporation, for )  
 authorization to issue a \$170,000 )  
 note. )

Application No. 55938  
 (Filed September 16, 1975)

O P I N I O N

Santa Paula Water Works, Ltd. seeks authority to issue a \$170,000 note in accordance with a Term Loan Agreement.

Applicant is a California corporation operating a public utility water system in Santa Paula and vicinity. For the year 1974 it reported operating revenues of \$499,668 and net income of \$30,918.

As authorized by Decisions Nos. 83282, dated August 6, 1974, 84276, dated April 1, 1975, and 84503, dated June 3, 1975, applicant herein has outstanding promissory notes aggregating \$170,000 in favor of Security Pacific National Bank. The utility proposes to retire said outstanding notes by issuing a new note pursuant to a Term Loan Agreement in the principal amount of \$170,000 repayable in quarterly installments of \$6,071.40, and bearing interest at a rate of at least 3% per annum, but not exceeding 2-1/2% per annum in excess of Security Pacific National Bank's prime rate, as such prime rate may change from time to time.

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

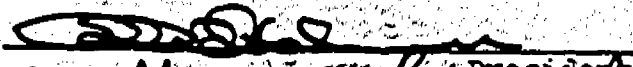


IT IS ORDERED that:

1. Santa Paula Water Works, Ltd., on or after the effective date hereof and on or before December 31, 1975, for the purpose set forth in the application, may issue a note in the principal amount of not exceeding \$170,000, which note shall be in substantially the same form as that attached to the application as Exhibit A of Exhibit B.

2. Santa Paula Water Works, Ltd. 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. The effective date of this order is the date hereof.

Dated at San Francisco, California, this 15<sup>th</sup> day of October, 1975.

  
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William J. Quinn, President  
  
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Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.