

LSC

Decision No. 85619

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

APPLICATION OF TUSTIN WATER WORKS,)
A California Corporation, FOR)
PERMIT TO ISSUE AND SELL BONDS.)

Application No. 56304
(Filed March 1, 1976)

O P I N I O N

Tustin Water Works seeks authority to issue and sell not exceeding \$300,000 aggregate principal amount of its bonds.

Applicant is a California corporation engaged in the public utility water business serving a portion of Orange County. For the first nine months of 1975, it reports operating revenues and net income in the respective amounts of \$949,232 and \$28,711.

In order to obtain \$300,000 for repaying its outstanding 5-1/2% bonds maturing April 7, 1976, applicant proposes to issue and sell \$300,000 aggregate principal amount of its bonds to bona fide residents of the State of California for investment purposes. The bonds would bear interest at the rate of 8% per annum, payable quarterly, would mature 15 years after date of issue, and would be registered and unsecured. The company would have the right at any interest payment date to call, pay, and retire any of the bonds.

Applicant has demonstrated over a period of years that financing through the sale of bonds has been successful without impairing its ability to meet its financial requirements and to provide adequate service to the public at just and reasonable rates.

After consideration the Commission finds that:

1. The proposed bonds would be for a proper purpose.
2. Applicant has need for external funds for the purpose set forth in this proceeding.
3. The money, property or labor to be procured or paid for by the bonds herein authorized is reasonably required for the purpose specified herein, which 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. Tustin Water Works, on or after the date hereof and on or before June 30, 1976, may issue and sell not exceeding \$300,000 aggregate principal amount of its bonds under the terms and for the purpose specified in this proceeding, which bonds shall be in substantially the same form as Exhibit C attached to the application.

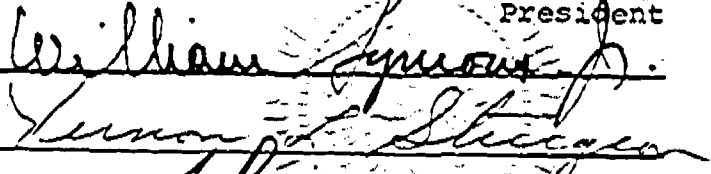
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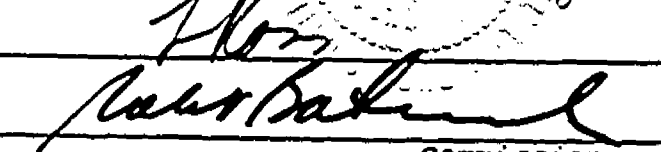
2. Tustin Water Works shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

3. The effective date of this order is the date hereof.

Dated at Los Angeles, California, this 23rd day
of MARCH, 1976.



President


Hon.


Commissioners