

Decision 92-04-028

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of Richard T. Bakman dba Bakman)
Water Co., Inc. to borrow funds)
under the Safe Drinking Water Bond)
Act, and to add a surcharge to water)
rates to repay the principal and)
interest on such loan. (U 219-W))

Application 90-10-015
(Petition for Modification
filed December 6, 1991)

S U P P L E M E N T A L O P I N I O N

Summary of Decision

This decision grants Bakman Water Company, Inc. (Bakman) the authority requested in its Petition for Modification of Decision (D.) 91-03-065.

Bakman requests authority under §§ 816 through 830 and 851 of the Public Utilities (PU) Code to increase the authorization granted in D.91-03-065 from approximately \$577,500 to approximately \$615,300. Bakman proposes to amend its loan contract with the Department of Water Resources (DWR) to borrow additional funds under the Safe Drinking Water Bond Act (SDWBA) in the amount of \$37,800, including administrative fees.

Notice of the filing appeared on the Commission's Daily Calendar of December 27, 1991. No protests have been received.

Background

Bakman, a California corporation, operates as a public utility subject to the jurisdiction of this Commission. Bakman provides water service to approximately 1,850 customers in southeast Fresno with water obtained from 11 active wells located throughout the system.

By D.91-03-065, dated March 22, 1991, the Commission authorized Bakman to borrow approximately \$577,500 from the DWR;

to execute the proposed loan contract for Safe Drinking Water Fund monies; to use the proceeds for the purposes specified in Application (A.) 90-10-015; and to implement a surcharge on water rates for the purpose of repaying the DWR loan. On August 21, 1991, Bakman filed a request with the DWR to obtain additional funds in order to complete the improvements specified by the Department of Health Services. DWR granted said request on October 23, 1991, committing \$37,800 including administrative fees in additional loan funds to Bakman under the SDWBA. DWR requires Bakman to submit written approval of this Commission for the loan increase before it will disburse the additional funds.

The Commission Advisory and Compliance Division (CACD) has analyzed Bakman's Petition for Modification and has concluded that the additional proposed financing would be for proper purposes and would not be adverse to the public interest. CACD recommends, and we concur, that Bakman's Petition for Modification be granted.

Findings of Fact

1. Bakman, a California corporation, operates as a public utility subject to the jurisdiction of this Commission.
2. Bakman proposes to borrow an additional \$37,800, including administrative fees, in SDWBA loan funds from the DWR.
3. The proposed borrowing is for proper purposes.
4. There is no known opposition and there is no reason to delay granting the authority requested.

Conclusions of Law

1. A public hearing is not necessary.
2. The proposed loan is for lawful purposes and the money, property or labor to be obtained, or paid for, by the

loan is required for these purposes. Proceeds from the loan may not be charged to operating expenses or income.

3. The Petition for Modification should be granted to the extent set forth in the supplemental order which follows.

4. The following supplemental order should be effective on the date of signature and the authorization to borrow additional funds should be effective upon payment of the fee set by PU Code § 1904(b).

S U P P L E M E N T A L O R D E R

IT IS ORDERED that:

1. The authority granted in Decision (D.) 91-03-065 is modified as follows:

Bakman Water Company, Inc. (Bakman) is authorized to borrow an aggregate principal amount not to exceed \$615,300 from the Department of Water Resources (DWR); to amend its existing loan contract with the DWR; and to use the proceeds for the purposes specified in Application 90-10-015.

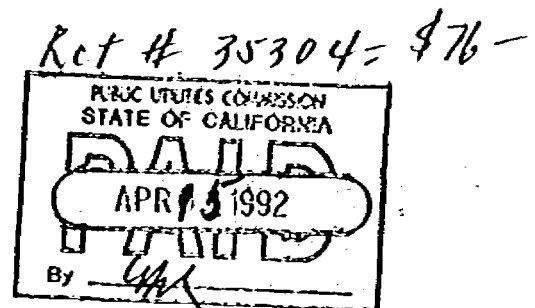
2. Bakman's Petition for Modification is granted as set forth above. In all other respects, D.91-03-065 remains in full force and effect.

3. The authority granted by this supplemental order will become effective when Bakman pays \$76.00, the fee set by Public Utilities Code § 1904(b).

In all other respects, this supplemental order is effective today.

Dated APR 08 1992, at San Francisco, California.

DANIEL W. FESSLER
President
JOHN B. CHANIAN
PATRICIA M. ECKERT
NORMAN D. SHUMWAY
Commissioners



I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY

Neal J. Shulman
NEAL J. SHULMAN, Executive Director
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