

ORIGINAL

Decision 93134 JUN 2 1981

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of LAWRENCE R. VANONI, dba "COAST )  
SPRINGS WATER COMPANY" for )  
authority to borrow money and to )  
issue a promissory note in connec- )  
tion therewith. )

Application 60351  
(Filed March 11, 1981)

O P I N I O N

Lawrence R. Vanoni, an individual doing business as Coast Springs Water Company (Coast Springs) requests authority pursuant to Sections 816 through 818 of the Public Utilities (PU) Code to borrow money and to issue an unsecured promissory note not to exceed the aggregate principal amount of \$12,000.

Notice of the filing of the application appeared on the Commission's Daily Calendar of March 16, 1981. No protests have been received.

Coast Springs operates as a water utility serving 204 connections in and around Dillon Beach and Oceana Marin in Marin County. Coast Springs' Income Statement for the calendar year 1980, shown as Exhibit B attached to the application, indicates total operating revenues of \$30,567 and a net loss of \$4,057.

Coast Springs' Balance Sheet as of December 31, 1980 is summarized as follows:

<u>Assets</u>	<u>Amount</u>
Net Utility Plant	\$92,927
Current Assets	<u>2,026</u>
Total	\$94,953
 <u>Liabilities and Proprietary Capital</u>	
Proprietary Capital	\$42,475
Long-Term Debt	6,867
Current Liabilities	1,577
Customer Advances for Const.	23,915
Contributions in Aid of Const.	<u>20,119</u>
Total	\$94,953

Coast Springs proposes to borrow \$12,000 from the Bank of America at an annual rate of 22% repayable in installments of \$331.42 per month for a term of five years. Coast Springs proposes to execute a promissory note in the form attached to the application and marked Exhibit C. The purposes of the loan, according to a letter from Coast Springs' attorney dated April 20, 1981, are as follows:

<u>Purpose</u>	<u>Amount</u>
Purchase Water Company Truck	\$ 6,589
Working Capital	<u>5,411</u>
Total	\$12,000

The Commission's Revenue Requirements Division and the Utilities Division have reviewed the application and conclude that the authority requested is reasonable and should be granted.

Findings of Fact

1. Coast Springs is a water utility operating under the jurisdiction of this Commission.
2. Coast Springs requests authority to borrow money and to issue a promissory note.
3. The proposed borrowing of money and the issuance of a promissory note are for proper purposes.
4. The money, property, or labor procured and paid for with borrowed funds authorized are required for the purposes specified, which purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income. ✓ SS
5. There is no known opposition and no reason to delay granting the authority requested.

Conclusions of Law

1. A public hearing is not necessary.
2. The application should be granted to the extent set forth in the order which follows:

The authorization granted is for 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.

The following order should be effective on the date of signature to enable Coast Springs to expeditiously issue its promissory note.

O R D E R

IT IS ORDERED that:

1. On or after the effective date hereof and on or before December 31, 1981, for the purposes specified in the application, Lawrence R. Vanoni, doing business as Coast Springs Water Company, may issue an unsecured promissory note in the principal amount of \$12,000, which note shall be in substantially the same form as that attached to the application.
2. Lawrence R. Vanoni, doing business as Coast Springs Water Company, shall file the reports required by General Order Series 24.

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3. This order shall become effective when Lawrence R. Vanoni, doing business as Coast Springs Water Company pays the \$50 fee set by PU Code Section 1904 (b) .

Dated JUN 2 1981 , at San Francisco, California.

*John E. Bryan*  
President  
*Richard D. ...*  
*Thomas ...*  
*Victor ...*

Commissioners

Commissioner Priscilla C. Grew, being necessarily absent, did not participate in the disposition of this proceeding.

