

LEB

Decision No. 23327

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
THE PACIFIC TELEPHONE AND TELEGRAPH)
COMPANY, a corporation, for an order)
authorizing it to issue, sell and)
deliver \$25,000,000. principal amount)
of its bonds to be known as "Refund-)
ing Mortgage 3½% Bonds, Series C,")
and authorizing it to execute and)
deliver a Second Supplemental Inden-)
ture to its Refunding Mortgage dated)
May 1, 1922.)

Application No. 20856

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER

ORIGINAL

By Decision No. 29268 dated November 10, 1936 the Commission authorized The Pacific Telephone and Telegraph Company to execute a supplemental indenture to its refunding mortgage dated May 1, 1922 and issue \$25,000,000. of refunding mortgage 3½% bonds, Series C, due December 1, 1966. The bonds are at the option of the company redeemable on any interest payment date upon not less than sixty(60) days' notice at the following percentages of the principal amount of the bonds redeemed;- to and including June 1, 1941, 108%; thereafter to and including June 1, 1946, 107½%; thereafter to and including June 1, 1951, 106%; thereafter to and including June 1, 1956, 104½%; thereafter to and including June 1, 1962, 103%; and thereafter, 100%. Applicant believes that it can obtain a higher price for its bonds if it increases the redemption prices by one-half of one percent., in all redemption periods except the last period. It therefore requests the Commission to amend its order in Decision No. 29268 so that it can change said redemption prices as follows;- to and including June 1, 1941, 108½%; thereafter to and including June 1, 1946, 107½%; thereafter to and including June 1, 1951, 106½%; thereafter to and including June 1, 1956, 105%;

thereafter to and including June 1, 1962, 103 $\frac{1}{2}$ %; and thereafter, 100%.

The Commission has considered applicant's request and is of the opinion that such request should be granted, therefore,

IT IS HEREBY ORDERED that the order in Decision No. 29268, dated November 10, 1936 be, and the same is, hereby amended so as to permit The Pacific Telephone and Telegraph Company to change the redemption prices of its refunding mortgage 3 $\frac{1}{2}$ % bonds, Series C, due December 1, 1966, as hereinabove set forth and make similar change in the supplemental indenture, the execution of which is authorized by said Decision No. 29268 dated November 10, 1936.

IT IS HEREBY FURTHER ORDERED that the order in Decision No. 29268 dated November 10, 1936 shall remain in full force and effect, except as modified by this First Supplemental Order.

DATED at San Francisco, California, this 30th day of November, 1936.

M. B. Gurni
Leon Whelan
W. J. Gurn
Malcolm H. Gurn
Frederick R. Gurn
Commissioners.