

Decision No. 47527

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
THE PACIFIC TELEPHONE AND TELEGRAPH
COMPANY, a corporation, for authority
to issue evidence of indebtedness in
the amount of \$55,000 for the purchase
of land for a building site.

Application
No. 33559

OPINION AND ORDER

This is an application for an order authorizing The Pacific Telephone and Telegraph Company to execute an evidence of indebtedness providing for the payment of \$55,000 for the purchase of real property.

Applicant reports that its present office quarters in San Francisco are congested and that it is faced with the necessity of providing additional facilities for its revenue accounting forces. It states that it has made a study of building sites, taking into consideration available labor supply and public transportation, and has concluded that the most desirable location for the construction of its office quarters for the purpose set forth would be along Middlefield Road in the vicinity of the Palo Alto-Menlo Park city limits. Its application shows that it has made arrangements to purchase, from Frederick Arthur Mills and Herbert Frank Mills, a building site containing approximately 2½ acres of land in the Alcorn Tract in San Mateo County and that it proposes to construct a one story building having a floor area of approximately 40,000 square feet, so designed that a second floor can be added at a later date if desired.

The agreed purchase price for the land is \$55,000. The present owners of the property have declined to accept a single payment comprising the full price and have insisted the transaction be handled on the basis of an initial payment of \$13,000 and the payment without interest of the balance of the purchase price of \$42,000 in 4 annual installments of \$10,500 each commencing January 10, 1953.

The Commission has considered this matter and is of the opinion that a public hearing thereon is not necessary; that the application should be granted, as herein provided; that the money, property or labor to be procured or paid for through the execution of the agreement for the purchase of said land is reasonably required by applicant for the purpose specified herein; and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. The Pacific Telephone and Telegraph Company after the effective date hereof and on or before September 30, 1952, may execute an agreement providing for the payment of \$55,000 for the purchase of real property as set forth in this application.

2. The action taken herein shall not be construed to be a finding of the value of the real property referred to in this proceeding.

3. On or before October 15, 1952, applicant shall advise the Commission in writing of the action taken by it under the authority herein granted.

4. The authority herein granted will become effective when The Pacific Telephone and Telegraph Company has paid the fee prescribed by Section 1904 of the Public Utilities Code.

Dated at San Francisco, California, this 5th day of August, 1952.

A. J. [Signature]
President
Justus J. [Signature]
Harold P. [Signature]
[Signature]
[Signature]
Commissioners

