

ORIGINAL

Decision No. 48599

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
General Telephone Company Of California :)	
for an Order authorizing it to execute)	Application
and deliver its unsecured Promissory)	No. 34311
Note in the amount of \$32,700 in)	
partial payment of the purchase price)	
for certain real property.)	
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	:	

OPINION AND ORDER

This is an application for an order authorizing General Telephone Company Of California to execute a promissory note in the principal amount of \$32,700. The note will be issued in part payment for the purchase of real property.

Applicant reports that in view of the expected continuation of the growth in its West Los Angeles exchange it has made studies which show that substantial over-all plant economies would result by establishing a new dial central office in the Bel-Air district to serve the northern portion of that exchange, that as a result of these studies it has endeavored to purchase land for a new central office in the Bel-Air area, and that the only land in that area which is near the wire center and for which applicant has been able to negotiate a purchase are Lots 1 and 2 in Block 6 of Tract 11028 in the City of Los Angeles.

The agreed purchase price of the land is \$45,000. 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 \$12,300 and the payment of the balance through the execution of the promissory note in the amount of \$32,700. The promissory note will be payable in the amount of \$16,350 on April 17, 1954, and \$16,350 on April 17, 1955, with interest at the rate of 3-1/2% per annum on outstanding balances.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for by the execution of the promissory note 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. General Telephone Company Of California, on or before September 30, 1953, may execute a promissory note in the principal amount of not exceeding \$32,700 in part payment for the real property referred to in this application.

2. General Telephone Company Of California shall file with the Commission monthly reports as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

3. The authority herein granted will become effective when General Telephone Company Of California has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$33.00.

Dated at San Francisco, California, this 19th day of May, 1953.

R. E. [Signature]
President

Justice F. [Signature]
Harold [Signature]

[Signature]
[Signature]
Commissioners

