

Decision No. 49057

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 an order authorizing it (a) to
 issue and sell \$50,000,000 principal
 amount of Thirty-one Year _____%
 Debentures due September 15, 1984,
 (b) to execute and deliver an
 Indenture to be dated September 15,
 1953, and (c) to issue 1,004,603
 common shares for subscription and
 sale for cash at \$100 per share to
 the holders of its preferred and
common shares.

Application
 No. 34501
 (First Supplemental)

FIRST SUPPLEMENTAL ORDER

By Decision No. 48874, dated July 28, 1953, the Commission authorized The Pacific Telephone and Telegraph Company, among other things, to issue and sell \$50,000,000 in principal amount of Thirty-one Year Debentures due September 15, 1984. The order of the Commission provided that the authorization to issue and sell such debentures would become effective when the Commission by a supplemental order fixed the price at which they may be sold and when applicant paid the fee prescribed by Section 1904(b) of the Public Utilities Code.

In a first supplemental application filed in this proceeding on September 15, 1953, applicant reports that it has published invitations for bids for the purchase of said debentures, that pursuant thereto it received 3 bids, that on September 15, 1953, it accepted a bid of 102.02% plus accrued interest from September 15, 1953, to the date of delivery of and payment for said debentures, which bid will provide the lowest cost of money, and that said debentures will bear interest at the rate of 4% per annum.

With the filing of the first supplemental application, applicant tendered to the Commission its check in the amount of \$15,500 in payment of the statutory fee payable on the granting of the authorization for the issue of said debentures. Applicant now asks the Commission to make its supplemental order authorizing the issue and sale of the debentures at the price indicated.

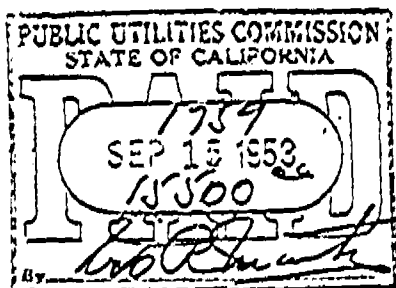
The Commission has considered applicant's first supplemental application and is of the opinion that it should be granted; therefore,

IT IS HEREBY ORDERED as follows:

1. The Pacific Telephone and Telegraph Company may issue and sell the \$50,000,000 in principal amount of said Thirty-one Year Debentures, due September 15, 1984, which were authorized by the order in Decision No. 48874, dated July 28, 1953, at 102.02% of the principal amount thereof plus accrued interest from September 15, 1953, to the date of delivery and payment, said debentures to bear interest at the rate of 4% per annum.

2. The authority granted by this First Supplemental Order is effective upon the date hereof.

Dated at San Francisco, California, this 15th day of September, 1953.



A. V. [Signature]
President
Justin F. [Signature]
Harold P. [Signature]
[Signature]
[Signature]
Commissioners