

ORIGINAL

Decision No. 49840

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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|-----------------------------------------|---|-------------|
| In the Matter of the Application of |) | |
| General Telephone Company of California | : | |
| for an Order authorizing it to execute |) | |
| and deliver its unsecured Promissory | : | Application |
| Note in the amount of \$10,500 in |) | No. 35214 |
| partial payment of the purchase price | : | |
| for certain property. |) | |
| ----- | : | |

OPINION AND ORDER

This is an application for an order authorizing General Telephone Company of California to issue a promissory note in the principal amount of \$10,500 for the purpose of financing in part the cost of real property.

Applicant reports that it has made arrangements to purchase certain parcels of land in Ontario for the site of a new central office telephone building and that the owners of one of said parcels are unwilling to accept cash for their holdings, because of the impact upon their personal income tax liability, but are willing to dispose of the same for the sum of \$14,500, of which \$4,000 is to be paid in cash at the close of the escrow and \$10,500 is to be covered by an unsecured promissory note, payable in installments of \$3,500 each on March 1 of each of the years 1955, 1956 and 1957, with interest at the rate of 4% per annum. Applicant is willing to accede to the sellers' request and has filed this application for the required authorization to enable it to carry out the terms of the transaction.

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 issue of the note herein authorized 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 June 30, 1954, may issue a promissory note in the principal amount of not exceeding \$10,500 in part payment for real property, as set forth in this application.

2. Applicant shall file with the Commission a report, or 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 applicant has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.00.

Dated at San Francisco, California, this 30th day of March, 1954.

[Signature]
President

[Signature]

[Signature]

[Signature]

[Signature]
Commissioners

