

Decision No. 52125

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
CENTRAL CALIFORNIA TELEPHONE COMPANY,)
a California corporation, for an order)
authorizing it (a) to issue and sell)
\$400,000 principal amount of First)
Mortgage 4-1/4% Bonds, Series A, due)
March 1, 1980, (b) to execute and)
deliver a First Mortgage Indenture to)
secure said bonds, and (c) to apply)
the proceeds of sale of said bonds)
toward the payment of outstanding)
short-term indebtedness, to finance)
plant additions and betterments, and)
to reimburse its treasury.)
-----)

Application
No. 36899
(First Supplemental)

FIRST SUPPLEMENTAL ORDER

By Decision No. 51430, dated May 10, 1955, the Commission authorized Central California Telephone Company to issue and sell \$400,000 of bonds and to use the proceeds to pay outstanding indebtedness, to reimburse its treasury and to provide the cost of new construction, including estimated expenditures of approximately \$20,000 for the construction of a new building at Exeter to be utilized upon conversion of its Exeter exchange from manual to dial operation.

In its first supplemental application filed in this proceeding on September 27, 1955, applicant reports that it has made arrangements to purchase the telephone system serving the community of Farmington, San Joaquin County, for the sum of \$22,743.73, subject to adjustments, the total estimated costs, including acquisition expenses, being stated at approximately \$23,500. It asks the Commission to modify its order of May 10 so as to permit it to use \$20,000 of bond proceeds to finance a part of the purchase price, the remainder of the required amount to be provided from general corporate funds. The transfer of the Farmington System is authorized by the

order, entered today, in Application No. 37348.

In making the present request applicant asserts that the Exeter improvements will be constructed in 1956 with funds to be derived from other sources and that the use of bond proceeds, as now requested, will not delay nor interfere with its conversion of its Exeter operations to dial.

The Commission has given consideration to the supplemental application and is of the opinion a public hearing is not necessary, that the expenditures herein authorized are reasonably required by applicant and that such expenditures are not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:

1. The order in Decision No. 51430, dated May 10, 1955, hereby is modified so as to permit Central California Telephone Company to use \$20,000 of the proceeds from the sale of the bonds authorized therein for the purpose of financing, in part, the acquisition of the telephone properties in and about Farmington.

2. This order will become effective 20 days after the date hereof.

Dated at San Francisco, California, this 25th day of October, 1955.

[Signature]
President

[Signature]

[Signature]

Commissioners