

ORIGINAL

Decision No. 58033

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

THE WESTERN TELEPHONE COMPANY,

a California corporation, for authority  
(a) to enter into a loan contract with  
the United States of America under and  
pursuant to the Rural Electrification  
Act of 1936, as amended, acting through  
the Administrator of the Rural  
Electrification Administration;

(b) to issue and sell its promissory  
notes to the United States of America  
in the aggregate principal amount of  
\$2,456,000, bearing interest at the  
rate of two per cent per annum;

(c) to execute and deliver a mortgage  
of realty and chattels to secure said  
promissory notes; (d) to apply the  
proceeds realized from said promissory  
notes toward the payment and discharge  
of outstanding obligations, and to  
finance additions and betterments

Application No. 39734  
(Requisition for  
Loan Funds)

THIRD SUPPLEMENTAL ORDER

By Decision No. 56269, dated February 25, 1958, the  
Commission authorized The Western Telephone Company to issue  
\$2,456,000 of notes to the United States of America, acting through  
the Rural Electrification Administration, for the purpose of financing  
the cost of expanding, rehabilitating and improving its facilities and  
service, and of paying outstanding indebtedness.

The Commission required the company to deposit the proceeds  
from the issue of the notes in a special bank account. At the out-  
set, the Commission authorized the company to withdraw not to exceed  
\$906,438 of such proceeds for the purpose of paying debts and of

providing certain preloan engineering and other expenses and directed that the remaining proceeds should be used only for such purposes as it might authorize in a supplemental order, or orders. The Commission required the company to file copies of such requisitions as it might make on the Rural Electrification Administration for the use of such remaining proceeds. By first and second supplemental orders in this proceeding, the Commission has authorized the company to disburse an additional \$316,741.89 of such proceeds.

The company now has filed a copy of a requisition for an advance of \$186,322.41 for the purposes, principally, of meeting expenditures incurred in connection with dial equipment for its Weaverville, Hayfork and Hoopa exchanges, and construction and improvement of outside plant. The company has requested the Commission's approval.

The Commission has considered this matter and is of the opinion that an order should be entered approving the withdrawal of proceeds in the amount of \$186,322.41, therefore,

IT IS HEREBY ORDERED that the requisition of The Western Telephone Company to draw down \$186,322.41 of the proceeds from the issue of the notes authorized by Decision No. 56269, dated February 25, 1958, hereby is approved, and The Western Telephone Company hereby is authorized to disburse said sum of \$186,322.41 for the purposes indicated in said requisition.

This third supplemental order will become effective on the date hereof.

Dated at San Francisco, California, this 24th day of February, 1959.

E. J. Fox  
President  
E. J. Miller  
William J. Doherty  
Theodore H. Kasser  
Everett R. Long  
Commissioners