

Decision No. 58152

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
THE SISKIYOU TELEPHONE COMPANY

1. To Enter into a loan agreement 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;
2. To execute its promissory notes to said United States of America in the sum of \$797,000.00, said obligation to bear interest at the rate of two per cent per annum;
3. To execute and deliver a mortgage of realty and chattels covering all of the properties of applicant as security for the payment of said obligation;
4. To apply the proceeds derived from said notes to the expansion, rehabilitation and improvement of the plant and facilities of said company.

Application No. 38997
(Requisition for
Loan Funds)

FIRST SUPPLEMENTAL ORDER

By Decision No. 55457, dated August 27, 1957, the Commission authorized The Siskiyou Telephone Company to issue \$797,000 of notes to the United States of America, acting through the Rural Electrification Administration, for the purposes 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 outset, the Commission authorized the company to withdraw not to exceed

\$187,000 of such proceeds to pay existing debts, to cover engineering, legal and other expenses, to provide for the purchase of land and buildings, and to permit the acquisition of office equipment, and directed that the remaining proceeds shall be used only for such purposes as it may 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.

The company now has filed a copy of a requisition for an advance of \$102,207.75, allocated in amounts of \$91,500 to construction, \$8,480 to engineering, \$1,527.75 to office equipment, and \$700 to legal fees. 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 \$102,207.75, therefore,

IT IS ORDERED that the requisition of The Siskiyou Telephone Company to draw down \$102,207.75 of the proceeds from the issue of the notes authorized by Decision No. 55457, dated August 27, 1957, hereby is approved, and The Siskiyou Telephone Company hereby is authorized to disburse said sum of \$102,207.75 for the purposes indicated in said requisition.

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

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

C. L. Fox
President
Walter E. Dittell
Walter D. Denny
Theodore D. Denny
Everett R. Denny
Commissioners