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ORIGINAL

Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application
of PARKER VALLEY TELEPHONE CO.,
an Arizona Corporation, for
authority:

1. To execute and deliver the
necessary note and other docu-
ments required by the Rural
Electrification Administration
in connection with an additional
loan of \$24,000.00, which the
R.E.A. has granted.

Application No. 41169

O P I N I O N

In this application, Parker Valley Telephone Co. seeks
authorization to borrow additional R.E.A. funds in the amount of
\$24,000.

Parker Valley Telephone Co. is an Arizona corporation
engaged in providing telephone service in portions of the States of
Arizona and California. Heretofore, it has been authorized by the
Commission to borrow \$477,700 from the United States of America,
acting through the Administrator of the Rural Electrification
Administration, for the purpose of rehabilitating and extending its
facilities, and to execute mortgages and to issue notes. As of
March 31, 1959, the company reported its investment in utility
plant in service at \$533,272 and its telephone stations at 832.

The utility now reports that funds are necessary to pro-
vide additional service and that it has made application to borrow
\$24,000 from the R.E.A. to meet in part its estimated construction
costs. The additional borrowings will be represented by notes,

similar in form to the original notes, which will become due 35 years after date with interest at the rate of 2% per annum. The loan has been approved by the R.E.A.

From a review of the application, it is clear that applicant will have need for additional funds for the purpose of financing the extension of its facilities; that such funds are not available from internal sources; that a conventional R.E.A. loan is contemplated; and that we are warranted in entering an order granting applicant's requests. The approval indicated herein is for the issuance of notes and is not to be construed as indicative of amounts to be included in a future rate base for the purpose of determining just and reasonable rates.

O R D E R

The Commission having considered the above-entitled matter and being 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 notes 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. Parker Valley Telephone Co., on and after the effective date hereof and on or before December 31, 1959, may execute a supplemental mortgage and may issue not exceeding \$24,000 of its mortgage notes, in substantially the same form as the supplemental mortgage and mortgage note attached to the application herein, for the purpose of financing, in part, the cost of its telephone plant.

2. Parker Valley Telephone Co. shall file with the Commission monthly 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.

Dated at San Francisco, California, this 16th
day of June, 1959.

E. J. Fox
President
W. E. Ketchum
W. E. Ketchum

Everett C. McKeage
Commissioner Theodore H. Jenner, being
necessarily absent, did not participate
in the disposition of this proceeding.

