

ORIGINAL

Decision No. 63107

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of Gilroy Telephone Company, a
California Corporation, for an
order authorizing it to renew
short term notes aggregating
\$85,000.

Application No. 44023

OPINION AND ORDER

This application was filed on December 18, 1961, for an order authorizing Gilroy Telephone Company to issue notes in the aggregate principal amount of \$85,000.

The application shows that Gilroy Telephone Company has issued to Bank of America National Trust and Savings Association its promissory notes in the aggregate amount of \$85,000, payable less than one year after the dates of issue, for the purpose of financing the cost of additions to its telephone plant and that the company now desires to renew these outstanding notes by the issue of new notes which will be unsecured, will be payable not later than December 31, 1962, and will bear interest at the rate of 5-1/2 per cent per annum. The company reports that at a later date it will refinance the borrowings with permanent capital.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary; that the money, property or labor to be procured or paid for by the

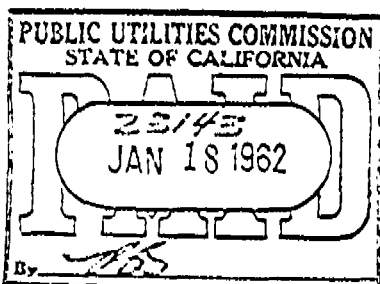
issue of the notes herein authorized is reasonably required for the purpose specified herein; that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; and that the application should be granted, therefore,

IT IS ORDERED -

1. That Gilroy Telephone Company may issue its unsecured 5-1/2 per cent promissory notes, due on or before December 31, 1962, in the aggregate principal amount of not to exceed \$85,000 for the purpose of renewing notes of like amount now outstanding.
2. That Gilroy Telephone Company 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. That the authority herein granted shall become effective when Gilroy Telephone Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$85.

The authorization herein granted is for the issue of notes only 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.

Dated at San Francisco, California,
this 16th day of JANUARY, 1962.



[Signature]
President
[Signature]
[Signature]
George L. Grover
[Signature]
Commissioners