

**ORIGINAL**

Decision No. 65965

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 documents required by the Rural Electrification Administration in connection with an additional loan of \$456,000.00, which the R.E.A. has granted.

2. For authority to exceed the total authorized indebtedness of \$666,666.00.

Application No. 45674  
Filed August 13, 1963

O P I N I O N

Parker Valley Telephone Co., applicant herein, is an Arizona corporation operating in and about the City of Parker, Arizona, and also in certain portions of the Counties of San Bernardino and Riverside in California. It has financed itself primarily with funds borrowed from the Rural Electrification Administration and as of June 30, 1963, reported R.E.A. mortgage notes outstanding in the aggregate amount of \$662,345.

The company now has need for additional funds in order to extend its service in Arizona and, to a small extent, in California and it seeks authorization to borrow from the

Rural Electrification Administration up to \$456,000 in addition to the presently outstanding borrowings. The proposed borrowings will be represented by notes payable 35 years after date of issue with interest at the rate of 2% per annum.

From a review of the application and applicant's reported results of operations, it appears that the company has need for additional capital funds and that the earnings should be sufficient to service the proposed note. We are of the opinion, and find, that the application should be granted; that the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required for the purpose specified herein; and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. A public hearing is not necessary.

The authorization herein granted is for the purpose of this proceeding only and is not to be construed as indicative of amounts to be included in future proceedings for the purpose of determining just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. Parker Valley Telephone Co., on or after the effective date hereof and on or before June 30, 1964, may

execute an additional supplemental mortgage and such other mortgages as may be required from time to time, and may issue additional notes in the aggregate face value of not to exceed \$456,000 in the form and for the purpose set forth in this application.

2. Parker Valley Telephone Co. 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. The authority herein granted shall become effective when Parker Valley Telephone Co. has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$456.

Dated at San Francisco, California,  
this 10<sup>th</sup> day of SEPTEMBER, 1963.

*William M. Arnold*  
President

*George L. Trover*

*Frederick B. Holcomb*  
Commissioners

