

Decision No. 66641

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
DOS PALOS TELEPHONE CO., INC., a  
corporation, for authority:

1. To enter into an agreement amending the existing telephone 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 (REA);
2. To execute its promissory note or notes to said United States of America, pursuant to the aforesaid amendment, in a sum not in excess of \$602,000.00, in addition to the previously authorized sum of \$715,000.00 provided for in the aforesaid loan agreements, as amended, said obligation to bear interest at the rate of 2% per annum and to be secured by the existing Mortgage of Realty and Chattels and a Supplemental Mortgage of Realty and Chattels;
3. To execute and deliver to the United States of America a Supplemental Mortgage of Realty and Chattels covering all the properties of applicant as security for the payment of said obligation;
4. To apply the proceeds derived from said note or notes to the expansion and improvement of the plant, plant facilities, and said system.

Application No. 41846

FIRST SUPPLEMENTAL ORDER

By Decision No. 59626, dated February 9, 1960, in this proceeding, the Commission authorized Dos Palos Telephone

Co., Inc., to issue \$602,000 of Rural Electrification Administration notes to obtain funds for financing certain additions and other items as set forth in said decision.

Among the proposed expenditures of loan proceeds, as set forth in the original application, is an amount of \$28,457 for mobile radio telephone service equipment which applicant advises us that it now intends to finance by means of general funds and equipment lease arrangements. The company desires authority to apply said amount of \$28,457 to central office equipment instead of to mobile radio telephone service equipment.

The Commission has considered applicant's request and finds that: (1) the money, property or labor to be procured or paid for by the issue of the notes authorized by said Decision No. 59626 is reasonably required for the purposes specified therein, modified as herein set forth with respect to the sum of \$28,457; and (2) such purposes, as modified, are not, in whole or in part, reasonably chargeable to operating expenses or to income. On the basis of these findings we conclude that applicant's present request should be granted. A public hearing is not necessary.

IT IS ORDERED that:

1. Ordering Paragraph No. 2 of Decision No. 59626, dated February 9, 1960, is hereby modified so as to read as follows:

2. Dos Palos Telephone Co., Inc., shall use the proceeds to be received through the issue of the notes herein authorized for the purposes set forth in this application, except that it may expend the sum of \$28,457 for central office equipment instead of for mobile radio telephone service equipment.

2. Said Decision No. 59626 shall remain in full force and effect except as modified by this First Supplemental Order.

3. The effective date of this First Supplemental Order is the date hereof.

Dated at San Francisco, California, this 21st day of January, 1964.

Harrison W. Bennett  
President

George T. Hoover

Fredrick B. Hallock  
Commissioners