

ORIGINAL

66734

Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

FORESTHILL TELEPHONE CO.

For an order authorizing it to issue
and sell up to 700 shares of its
Common Stock.

Application No. 46084
Filed January 9, 1964

O P I N I O N

Foresthill Telephone Co., applicant herein, is a California corporation furnishing telephone services in and about Foresthill, Placer County, and surrounding territory. In this application, the company seeks an order of the Commission authorizing it to issue \$7,000 par value of its capital stock for the purposes of (a) refinancing a \$5,000 short-term indebtedness incurred for financing plant additions, and (b) obtaining \$2,000 in cash to finance, in part, the construction of additional facilities.

The Commission has considered this matter and finds that: (1) the proposed stock issue is for proper purposes; (2) the money, property or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required for the purposes specified herein; and (3) such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income. A public hearing is not necessary.

On the basis of the foregoing findings, we conclude that the application should be granted. In issuing our order herein, we place applicant and its shareholders on notice that we do not regard the number of shares outstanding, the total par value of the shares nor the dividends paid as measuring the return applicant should be allowed to earn on its investment in plant and that the authorization herein given is not to be construed as a finding of value of applicant's stock or properties nor as indicative of amounts to be included in future proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. Foresthill Telephone Co., on or after the date hereof and on or before June 30, 1964, may issue not to exceed \$7,000 par value of its common stock, at par, for the purposes set forth in this application.
2. Foresthill 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 effective date of this order is the date hereof.

Dated at San Francisco, California, this 4th day of FEBRUARY, 1964.

Holloman W. Bennett
President

Robert W. Rye

George T. Trover

Frederick B. Hallock
Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.