

ORIGINAL

Decision No. 70517

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
WESTERN CALIFORNIA TELEPHONE COMPANY,)
a California Corporation, for)
authority to issue an unsecured)
promissory note.)

Application No. 48299
Filed March 10, 1966

O P I N I O N

This is an application for an order of the Commission authorizing Western California Telephone Company to issue an unsecured promissory note in the principal amount of \$4,000,000.

Applicant is a California corporation operating telephone systems in portions of the Counties of Marin, Santa Clara, Santa Cruz, Shasta, Siskiyou and Sonoma.

For the purpose of retiring and refunding short-term notes aggregating \$4,000,000, applicant proposes to issue an unsecured promissory note in the principal amount of \$4,000,000 in favor of Bank of America National Trust and Savings Association, which note will mature on December 31, 1966, and will bear interest at the prevailing prime rate for commercial notes.

Included among the \$4,000,000 of short-term notes to be retired and refunded is a previously authorized \$1,650,000 note issued to retire and refund a like amount of short-term notes. With respect to the remaining \$2,350,000 aggregate principal amount of short-term notes to be retired and refunded, applicant reports that the proceeds have been, or will be, used for capital

expenditures, or were used to reimburse its treasury for funds expended for capital purposes.

The Commission has considered this matter and finds that: (1) the proposed note issue is for a proper purpose; (2) 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 (3) such purpose is 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. The authorization herein given is for the purpose of this proceeding only and is not to be construed as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. Western California Telephone Company, on or after the effective date hereof and on or before June 30, 1966, for the purpose set forth in this proceeding, may issue and deliver a promissory note in the principal amount of not to exceed \$4,000,000, which note shall be in the same form, or in substantially the same form, as that attached to the application as Exhibit B, and shall bear interest at not to exceed the prevailing prime rate for commercial notes.

2. Western California Telephone Company shall file with the Commission a report, or reports, as required by General

A. 43299 GMC

Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

3. This order shall become effective when Western California Telephone Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$1,675.

Dated at San Francisco, California, this 5th day of APRIL, 1966.

Fredrick B. Holcomb
President

George T. Thayer

August

William B. Bernard
Commissioners

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

