

ORIGINAL

Decision No. 70868

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application)
of)
THE WESTERN TELEPHONE COMPANY,)
a California corporation,)
for authority to renew certain)
promissory notes.)

Application No. 48514
Filed May 27, 1966

O P I N I O N

This is an application for an order of the Commission authorizing The Western Telephone Company to issue promissory notes which will enable it to extend the date for repayment of an existing \$200,000 indebtedness represented by a short-term note.

Applicant, a subsidiary of Continental Telephone Corporation, is a California corporation which owns and operates a telephone system serving generally throughout Trinity County and in portions of Humboldt and Mendocino Counties. The utility reports that among its outstanding short-term notes is one in the amount of \$200,000 representing indebtedness incurred for construction purposes, and that it had intended to refund said note with a portion of the proceeds to be derived from Rural Electrification Administration financing.

In view of the delay in receiving said anticipated financing, the utility seeks authority to issue a note, or notes, in the aggregate principal amount of \$200,000, and notes refunding the same, all of which will be due and payable not later than December 16, 1966. The notes will be in favor of Crocker-Citizens National Bank and will bear interest at a rate of not to exceed 6% per annum.

The Commission has considered this matter and finds that: (1) the proposed notes are for a proper purpose; (2) 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; and (3) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. On the basis of these findings, we conclude that the application should be granted. A public hearing is not necessary.

The authority herein granted is for the issue of notes 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. The Western Telephone Company may issue a promissory note, or notes, and notes refunding the same, all bearing maturity dates prior to December 17, 1966, in

the aggregate principal amount of not to exceed \$200,000, for the purpose specified in this proceeding. The notes shall bear interest at a rate of not to exceed 6% per annum.

2. The Western Telephone Company shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

3. This order shall become effective when The Western Telephone Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$200.

Dated at San Francisco, California, this 21st day of JUNE, 1966.

Fredrick B. Holcomb
President

John L. ...

George T. ...

Augustus ...

William ...
Commissioners

