

ORIGINAL

Decision No. 71581

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of)
REDWOOD RADIO TELEPHONE)
CORPORATION, a California)
corporation, for authority to)
execute a promissory note and)
security instrument.)

Application No. 48479
Filed May 18, 1966
and Amendment
Filed November 9, 1966

O P I N I O N

This is an application for an order of the Commission authorizing Redwood Radio Telephone Corporation to execute a Security Agreement and to issue a note in the principal amount of not to exceed \$3,900.

Applicant is a California corporation operating a radiotelephone public utility system in the Santa Rosa and San Francisco Bay areas. In this proceeding the company proposes to issue a \$3,900 long-term note for the purpose of satisfying a short-term indebtedness of like amount incurred for equipment purchases.

The proposed \$3,900 note will be in favor of Bank of America National Trust and Savings Association, will be repayable in monthly installments of \$90 each, including interest at the rate of 7-1/4% per annum, and will be secured by a Security Agreement.

According to Exhibit A, attached to the amendment to the application, the company's net profit for the four months ended September 30, 1966 was \$2,895. Applicant reports that it expects to operate profitably in the future inasmuch as certain expenses related to initial development and coordination of its systems will not recur.

The Commission has considered this matter and finds that: (1) the proposed note issue is for a proper purpose; (2) the proposed Security Agreement will not be adverse to the public interest; (3) 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 (4) 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, as amended, should be granted. 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 proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. Redwood Radio Telephone Corporation, on or after the effective date hereof and on or before March 31, 1967, for the purpose specified in this proceeding, may issue a promissory

note in the principal amount of not to exceed \$3,300, said note to be repayable in monthly installments of not to exceed \$80, including principal and interest at the rate of not to exceed 7-1/4% per annum.

2. On or before March 31, 1967, Redwood Radio Telephone Corporation may execute a Security Agreement in the same form, or in substantially the same form, as that attached to the original application as Exhibit B.

3. Redwood Radio Telephone Corporation 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.

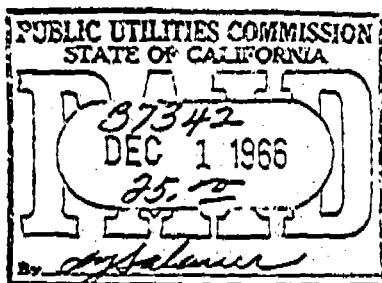
4. This order shall become effective when Redwood Radio Telephone Corporation has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.

Dated at San Francisco, California, this 29th day of NOVEMBER, 1966.

President

Fredrick H. Heldehoff
William B. Service
Augusta

Commissioners



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

Commissioner George G. Grover did not participate in the disposition of this proceeding.