

Decision No. 79385

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of)

DORRIS TELEPHONE COMPANY,)
a corporation,)

for authority to (a) issue a)
note in the principal amount)
not exceeding \$20,000, and)
(b) enter into an agreement)
prohibiting prepayment of an)
installment note.)

Application No. 52952
Filed October 29, 1971

O P I N I O N

Dorris Telephone Company seeks an order of the Commission authorizing it to issue an unsecured \$20,000 note and to enter into an agreement regarding principal payments thereon.

Applicant is a California corporation furnishing telephone service in and about the communities of Dorris and Macdoel in Siskiyou County. Its balance sheet at June 30, 1971 is summarized from Exhibit C, attached to the application, as follows:

Assets

Current assets	\$ 9,179
Net telephone plant	<u>236,063</u>
Total	<u>\$245,242</u>

Liabilities

Current liabilities	\$ 40,665
Long-term debt	75,459
Common stock equity	<u>129,118</u>
Total	<u>\$245,242</u>

According to the application, the company has purchased and installed central office and subscriber line carrier equipment at a cost of \$20,000, for which amount it issued demand notes to Robert H. Edgar and Marion A. Edgar. It now proposes to issue a long-term note to said payees in a like amount for the purpose of retiring the demand notes. The proposed note would be repayable in monthly installments of \$200 plus interest at the rate of 7% per annum. Pursuant to an agreement, without prior written consent from the mortgagee, principal payments would be limited to \$3,000 in any calendar year.

After consideration the Commission finds that: (1) the proposed note 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. On the basis of the these findings we conclude that the application should be granted. A public hearing is not necessary.

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:

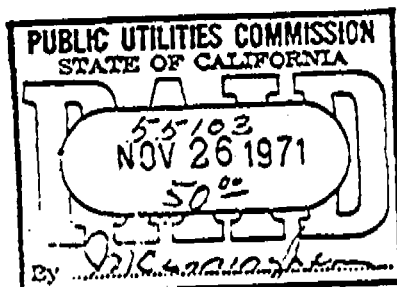
1. Dorris Telephone Company, on or after the effective date hereof and on or before January 31, 1972, for the purpose specified in the application, may issue a note in the principal amount of not exceeding \$20,000, and may enter into an agreement regarding principal payments thereon, which note and agreement shall be in substantially the same form as Exhibit A, attached to the application.

2. Dorris Telephone Company shall file with the Commission the report 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 Dorris Telephone Company has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$50.

Dated at San Francisco, California, this 2nd day of NOVEMBER, 1971.

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.



Chairman
William J. Vukasin, Jr.
James L. Stangen
Commissioners