

Decision No. 79420

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of GENERAL TELEPHONE COMPANY OF)
CALIFORNIA, a California)
corporation, for authority to)
issue unsecured promissory notes.)
_____)

Application No. 52992
Filed November 10, 1971

O P I N I O N

General Telephone Company of California seeks an order of the Commission authorizing it to issue and deliver until December 31, 1972, not exceeding \$25,000,000 aggregate principal amount of notes at any one time outstanding.

The application shows that the company has issued and delivered certain outstanding unsecured promissory notes in the aggregate principal amount of \$25,000,000, of which amount \$19,000,000 was authorized by Decision No. 78039, dated December 8, 1970, in Application No. 52309. The proceeds from the \$6,000,000 balance were expended for capital purposes or to reimburse applicant's treasury for funds expended for capital purposes.

The utility desires authority to continue the \$25,000,000 indebtedness through December 31, 1972, by issuing renewal notes maturing at various dates not exceeding 90 days from each date of issuance, and bearing interest at the prevailing prime rate or at the prevailing market rate for commercial paper notes.

After consideration the Commission 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 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:

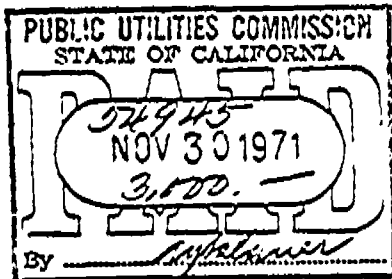
1. General Telephone Company of California, on or before December 31, 1972, for the purpose set forth in this proceeding, may issue and deliver promissory short-term notes and/or commercial paper notes, and renewals thereof, in an aggregate principal amount of not exceeding \$25,000,000, with interest at the prevailing prime rate or at the prevailing market rate for commercial paper.

2. Within thirty days after the end of each month General Telephone Company of California shall file with the Commission a schedule for the previous month showing the date, principal amount and interest rate of each renewal note issued

under the authority herein granted, together with the corresponding information for the note or notes renewed. The filings shall be in lieu of reports under General Order No. 24-B.

3. This order shall become effective when General Telephone Company of California has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$3,000.

Dated at San Francisco, California, this 30th day of NOVEMBER, 1971.



[Signature]
Chairman
[Signature]
[Signature]
[Signature]
[Signature]
Commissioners