

Decision No. 80468

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application)
of MARIPOSA COUNTY TELEPHONE)
COMPANY, INC. for authority to)
issue a \$682,500.00 note and to)
execute a mortgage securing the)
same in connection with an RTS)
loan.)

Application No. 53500
(Filed August 4, 1972)

O P I N I O N

Mariposa County Telephone Company, Inc. seeks authority to issue its Rural Telephone Bank promissory note in the principal amount of \$682,500, and to execute and deliver a Supplemental Mortgage and Security Agreement.

Applicant is a California corporation engaged in the business of providing telephone service in portions of Madera and Mariposa Counties. It proposes to construct facilities to extend service to approximately 77 new subscribers and to make other system improvements.

In order to provide funds for the acquisition, installation and construction of such facilities, and to provide \$32,500 for the required purchase of Class B stock of the Rural Telephone Bank, applicant proposes to borrow \$682,500 from the Rural Telephone Bank, pursuant to the terms of a proposed Telephone Loan Contract Amendment. The proposed borrowing would be evidenced by a 35-year note, which note would bear interest at the rate of 6% per annum. The note would be secured by a proposed Supplemental Mortgage and Security Agreement.

After consideration the Commission finds that:

1. The proposed documents would not be adverse to the public interest.
2. The proposed note is for proper purposes.
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 purposes specified herein, which purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.

On the basis of the foregoing 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 (a) amounts to be included in proceedings for the determination of just and reasonable rates, or (b) concurrence in the reasonableness of serving arrangements or tariff modifications proposed by the Rural Electrification Administration.

O R D E R

IT IS ORDERED that:

1. Mariposa County Telephone Company, Inc. may enter into a Telephone Loan Contract Amendment with the United States of America, acting through the Administrator of the Rural Electrification Administration, and the Rural Telephone Bank, acting through its Governor. The document shall be in substantially the same form as Exhibit B attached to the application.

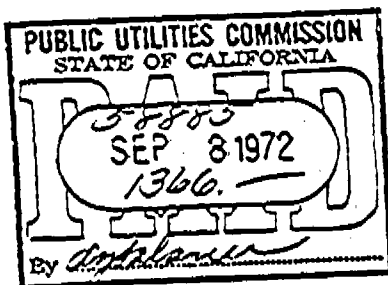
2. Mariposa County Telephone Company, Inc. may execute and deliver a Supplemental Mortgage and Security Agreement in substantially the same form as Exhibit D attached to the application.

3. Mariposa County Telephone Company, Inc., for the purposes specified in the application, may issue a Mortgage Note in the principal amount of not exceeding \$582,500, which Mortgage Note shall be in substantially the same form as Exhibit C attached to the application.

4. Mariposa County Telephone Company, Inc. 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.

5. This order shall become effective when Mariposa County Telephone Company, Inc. has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$1,366.

Dated at San Francisco, California, this 31ST
day of AUGUST, 1972.



Vernon L. Sturgeon
President
William J. Givens Jr.
John J. [Signature]
[Signature]
Commissioners

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