

ORIGINAL

Decision 84 02 006 FEB 1 1984

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of FORESTHILL TELEPHONE CO., for)
an Order authorizing it to issue)
notes in an amount not exceeding)
\$800,000 and to execute a related)
Finance Agreement, Co-Mortgage)
Agreement, Participation Agree-)
ment and supplemental security)
instruments.)

Application 83-12-27
(Filed December 19, 1983)

ORDER EXTENDING TIME

Decision (D.) 82-11-009 dated November 3, 1982 in Application (A.) 82-09-09 authorized Foresthill Telephone Co. (Foresthill) under Ordering Paragraph 1 to enter into a Financing Agreement, on or before December 15, 1983, with Stromberg-Carlson Corporation and to issue Interim Installment Notes and a Final Installment Note in the maximum principal amount at any one time outstanding not exceeding \$800,000. The Financing Agreement provided that the rate of interest for the Final Installment Note would be the weighted average yield, by amount offered, of "A" rated public utility bonds issued during the three calendar months immediately preceding December, 1983, plus 1.5 percentage points. The interest rate, which could not be foreseen at the time of the original application or at the time of the issuance of D.82-11-009, has now been determined to be 14.572%.

Applicant has been informed and believes that financing is available from other sources at an interest rates substantially less than the interest rate set forth above for the Final Installment Note. The holder of the Interim Installment Notes has agreed to extend the final closing date in order to allow Foresthill to arrange alternate financing so that Foresthill may repay the Interim Installment Notes and avoid delivery of the Final Installment Note.

In this application, Foresthill requests, under Public Utilities (PU) Code Section 1708, that Ordering Paragraph 1 of D.82-11-009 be modified to change the final date from December 15, 1983 to June 15, 1984 for exercise of the authority granted in D.82-11-009.

Notice of the filing of the application for an extension of time appeared on the Commission Daily Calendar of December 20, 1983. No protests have been received.

In the circumstances, the Commission finds that Foresthill's request is reasonable and would not be adverse to the public interest. A public hearing is not necessary. The Commission concludes that the request for an extension of time should be granted.

IT IS ORDERED that Foresthill Telephone Co. is granted an extension of time to and including June 15, 1984 within which to exercise the authority granted in D.82-11-009 and Ordering Paragraph 1 of that decision is modified to read as follows:

"1. Foresthill Telephone Co. on or after the effective date of this order and on or before June 15, 1984 may, for the purposes set forth in this application, enter into a Financing Agreement with Stromberg-Carlson Corporation and may issue Interim Installment Notes and a Final Installment Note in the maximum principal amount at any one time outstanding not exceeding \$800,000. The documents shall be in substantially the same form as Exhibit I attached to the application."

In all other respects D.82-11-009 remains in full force and effect.

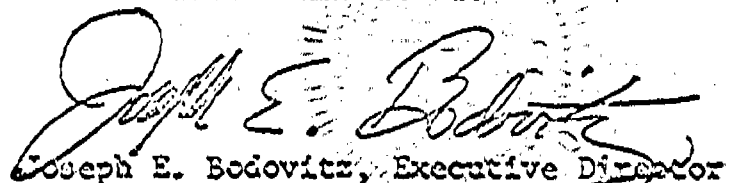
This order is effective today.

Dated FEB 1 1984, at San Francisco, California .

LEONARD M. GRIMES, JR.
President

VICTOR CALVO
PRISCILLA C. GREW
DONALD VIAL
WILLIAM T. BAGLEY
Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Joseph E. Bodovitz, Executive Director