

ORIGINAL

Decision No. 19601.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of  
 GEORGE W. JOHNSTONE AND BERTHA F.  
 JOHNSTONE, his wife, for an order  
 authorizing and permitting them to  
 sell certain telephone lines in Shasta  
 County, California, to W. E. Hills, and  
 for an order authorizing and permitting  
 W. E. Hills to purchase said lines.

Application No. 12731.

Albert A. Rosenshine, by J. E. Hoffman,  
for applicants.

BY THE COMMISSION:

O P I N I O N

In this application George W. Johnstone and Bertha F. Johnstone ask permission to sell and transfer a certain telephone business, together with all property and appurtenances used in conducting such telephone business, to W. E. Hills, who joins in the application and asks permission to purchase and operate said telephone property.

A public hearing was held in this matter before Examiner Rowell at Montgomery Creek, California, on January 24, 1928, at which time evidence was taken and the matter submitted.

The telephone properties which applicants desire to transfer consist of a small switchboard, approximately 377 miles of copper and iron wire and about 611 poles together with all

necessary fixtures and accessories. Said properties, which are located in Shasta County, California, and which provide telephone service in Bella Vista, Buckeye, Palo Cedro, Stillwater, Millville, Fern, Ingot, Bend, Round Mountain, Montgomery Creek, Wengler, Burney and Carbon with connections to outside points through Redding and Fall River Mills, are operated as a public telephone utility under the name of Bass Telephone Lines.

The testimony shows that George W. Johnstone and Bertha F. Johnstone desire to retire from the telephone business. According to the record, W. E. Hills intends to operate the system in conjunction with the telephone properties of the Nevada, California and Oregon Telegraph and Telephone Company. It appears that W. E. Hills has had considerable experience in the telephone business and that the arrangement which he contemplates, if made operative, would be to the advantage of the users of telephone service in the area affected. Applicants in this proceeding have agreed on a cash transfer price of \$20,000. for the properties involved herein.

O R D E R

George W. Johnstone and Bertha F. Johnstone, having made application to the Railroad Commission for permission to sell public utility telephone properties to W. E. Hills and W. E. Hills having asked permission to acquire such properties, a public hearing having been held and the Railroad Commission being of the opinion that this application should be granted,

IT IS HEREBY ORDERED that George W. Johnstone and Bertha F. Johnstone be, and they are hereby, authorized to sell and transfer to W. E. Hills the telephone properties referred to in this ap-

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plication and that W. E. Hills be, and he is hereby authorized to purchase and acquire said telephone properties.

IT IS HEREBY FURTHER ORDERED that George W. Johnstone and Bertha F. Johnstone be and they are hereby authorized to discontinue the furnishing of telephone and telegraph service in a certain portion of Shasta County, California, more particularly described in the opinion preceding this order, on and after the date they transfer the properties, to which reference is made herein, to W. E. Hills, and to withdraw, as of that date, their rates and tariffs for service.

IT IS HEREBY FURTHER ORDERED that W. E. Hills, on and after the date he acquires the telephone properties herein referred to, shall furnish telephone service in the area now served by George W. Johnstone and Bertha F. Johnstone, in accordance with the rates and tariffs which are now in effect or may be authorized for George W. Johnstone and Bertha F. Johnstone, present owners of Bass Telephone Lines.

The authority herein contained is granted subject to the following conditions and not otherwise:

(1) The transfer of telephone properties herein referred to shall be made on or before October 1, 1928.

(2) The consideration for which the telephone properties are herein authorized to be transferred shall not be urged before this Commission, or any other public body, as a measure of value of such properties for any purpose other than this transfer.

(3) W. E. Hills shall file with this Commission a certified copy of the deed or other instrument of transfer by virtue

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of which he acquires title to the properties he is authorized to purchase within thirty days after such deed or instrument is executed.

For all other purposes the effective date of this order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 13<sup>th</sup> day of April, 1928.

Leon White

C. Sealey

John S. Pittet

W. J. Lewis

Commissioners.