

Decision No. 20311

**ORIGINAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the application of E. A. Stainton, doing business under the fictitious name of SAN MARTIN RURAL TELEPHONE COMPANY, and THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY, a corporation, for an order authorizing E. A. Stainton to sell to The Pacific Telephone and Telegraph Company all of its telephone property in and adjacent to the Town of San Martin, County of Santa Clara, State of California, and The Pacific Telephone and Telegraph Company to purchase and acquire the same, and E. A. Stainton to cease rendering telephone service. Application No. 14,968.

J. G. Marshall for Applicant, E. A. Stainton.

J. G. Marshall for Applicant, The Pacific Telephone and Telegraph Company.

BY THE COMMISSION:

O P I N I O N

E. A. Stainton, doing business under the name of San Martin Rural Telephone Company, and The Pacific Telephone and Telegraph Company, request an order of this Commission authorizing the former to sell to the latter all his telephone properties for the sum of Eight Hundred (800) Dollars and to withdraw from the business of rendering telephone service in territory surrounding San Martin, and the latter to purchase said property and to furnish telephone service in the area now served by San Martin Rural Telephone Company.

A public hearing was held in this matter before Examiner Williams, in Gilroy, on September 22, 1928, and the matter

was taken under submission.

Applicant, E. A. Stainton, owns three lines serving some twenty-two subscribers located in the rural territory surrounding the Town of San Martin and has no central office but acts as agent for The Pacific Telephone and Telegraph Company, which maintains a central office and furnishes service within the Town of San Martin and also provides switching service for the subscribers of E. A. Stainton.

Applicant, E. A. Stainton, testified that he purchased his lines from E. J. Minor in June, 1923, for the sum of Eight Hundred (800) Dollars and has continued to furnish service at the rates and under the conditions which obtained at that time. These rates, now effective, are One (1) Dollar per month to residence subscribers and One (1) Dollar and Fifty (50) Cents per month to business subscribers. Applicant, E. A. Stainton, desires to dispose of his telephone properties for the sum of Eight Hundred (800) Dollars and to be relieved of the obligation of further furnishing telephone service in this area.

The Pacific Telephone and Telegraph Company, by its representative, Mr. J. G. Marshall, stipulated its willingness to purchase the property above referred to, for the sum above mentioned, and to furnish service to the present subscribers of E. A. Stainton at his existing rates, but new applicants for service in the area to be required to pay the rates and tariffs of The Pacific Telephone and Telegraph Company.

No objection to the proposed transfer of the property was made at the hearing and there appears no good reason why the request of applicants should not be granted.

O R D E R

E. A. Stainton, doing business under the name of San Martin Rural Telephone Company and The Pacific Telephone and

Telegraph Company, having requested of the Railroad Commission an order authorizing the former to sell to the latter all his telephone properties and to withdraw from the business of furnishing telephone service in the vicinity of San Martin and the latter to furnish service in that area, a public hearing having been held, the matter having been submitted and now being ready for decision,

The Railroad Commission finds as a fact that the public interest will be furthered by the granting of this application and, basing its order on the foregoing findings of fact and on such findings of fact as are contained in the opinion preceding this order,

IT IS HEREBY ORDERED that E. A. Stainton, doing business under the name of San Martin Rural Telephone Company, be and he is hereby authorized to sell and transfer to The Pacific Telephone and Telegraph Company his telephone properties, more particularly described in the application herein, and that The Pacific Telephone and Telegraph Company be and it is hereby authorized to purchase and acquire said properties, provided that,

(1) The authority herein granted shall apply only to such transfer as shall have been made within thirty (30) days from and after the effective date of this order.

(2) The sum of Eight Hundred (800) Dollars, for which the properties are herein authorized to be transferred, shall not be urged before the Railroad Commission as the value of these properties for any purpose whatsoever other than the transfer herein authorized.

IT IS HEREBY FURTHER ORDERED that The Pacific Telephone and Telegraph Company be and it is hereby authorized to

furnish, on and after the date it acquires the telephone properties herein referred to, telephone service to subscribers now served by E. A. Stainton, at the rates charged by said E. A. Stainton, so long as there is no change in the status of said subscribers' services.

IT IS HEREBY FURTHER ORDERED that E. A. Stainton be and he is hereby authorized to discontinue the furnishing of telephone service in the territory surrounding San Martin on and after the date of the transfer of his telephone property to The Pacific Telephone and Telegraph Company.

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 10th day of October, 1928.

Leon Whiteall

Chairman

Commissioner

John S. Lovell

Commissioners.