

Decision No. 22890.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 AGNES RICHEY KATTENHORN)
 and Columbia Utilities Company of)
 California, Ltd., a California Cor-)
 poration, for an order permitting)
 the said Agnes Richey Kattenhorn to)
 sell her interest in and to her tel-)
 ephone system, operated in Merrill)
 and Malin, Oregon, and to assign her)
 right and privilege granted by the)
 Railroad Commission of California on)
 the 10th day of April, 1930, to ex-)
 tend said telephone system into the)
 "Tule Lake District", Siskiyou and)
 Modoc Counties, California.)

Application No. 16842

Arthur W. Schaupp, for applicants.

BY THE COMMISSION:

O P I N I O N

In the above entitled matter the Railroad Commission has been asked to make an order authorizing Agnes Richey Kattenhorn to sell her telephone properties located in Siskiyou and Modoc Counties and to assign a certificate of public convenience and necessity to Columbia Utilities Company of California, Ltd.

The record shows that Agnes Richey Kattenhorn, doing business under the firm name and style of Tule Lake Telephone Company, owns and operates a small rural telephone exchange in the towns of Merrill and Malin, Oregon. By Decision No. 22313, dated April 10, 1930, in Application No. 16298, she obtained a certificate of public convenience and necessity to establish exchange telephone service in

the Tule Lake District in California. The order of the Commission in said Decision No. 22313 reads:-

"Agnes Richey Kattenhorn having made application for a certificate herein, a public hearing having been held, the matter having been submitted and being now ready for decision, THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY DECLARES that public convenience and necessity require the establishment of exchange telephone service in the Tule Lake District in California, and

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be, and the same is hereby, granted to Agnes Richey Kattenhorn for the establishment of a telephone exchange in accordance with the above declaration and subject to the following conditions:-

Agnes Richey Kattenhorn shall:

(1) Establish a telephone central office at Tule Lake Townsite and provide exchange telephone service at the rates shown in Exhibit "A", attached hereto and made a part hereof, on or before November 1, 1930.

(2) Establish telephonic communication between Tule Lake central office and outside points contemporaneously with the establishment of exchange service as required in Section (1).

(3) Submit to the Railroad Commission of the State of California, for filing in accordance with General Order No. 68, the schedule of rates shown in Exhibit "A" attached hereto, together with rules and regulations governing telephone service as may be approved by the Railroad Commission, not later than ten(10) days prior to the establishment of exchange telephone service, as required by Section (1).

(4) Submit to the Railroad Commission of the State of California, for filing in accordance with General Order No. 68, a map showing her Tule Lake Exchange Area as set forth in Exhibit No. 2, filed at the hearing in this proceeding, not later than ten(10) days prior to the establishment of said exchange service.

(5) Shall keep an accurate and complete record of the cost of her telephone properties in California and of the operating revenues and operating expenses appertaining thereto and shall make such records of the cost of said properties and their operations available to the Commission, or any officer or employee of the Commission, whenever the same are desired by said Commission, officer or employee.

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

It is of record that Agnes Richey Kattenhorn has extended her telephone lines into California and has seven or eight subscribers on such lines, service being given from the Oregon exchange. The record on this point shows that no central office

has been established in California and no rates are being charged the California subscribers. We believe that such an office should be established in California forthwith. The authority herein granted to transfer properties will be subject to such a condition. The value of the California properties is estimated at \$5,000.00.

It appears that arrangements now have been made to transfer the California properties of Mrs. Kattenhorn to Columbia Utilities Company of California, Ltd., a California corporation, and her Oregon properties to an Oregon corporation, Columbia Utilities Company of Oregon, for a total consideration of \$20,000.00. The testimony shows that it is the intention of those in control of the affairs of the purchasers to extend and otherwise develop the service now given and it therefore seems to us that the transfer, as here proposed, is in the public interest and should be approved. In this connection, it should be noted that the purchaser under the authority herein granted will acquire only the rights granted Mrs. Kattenhorn by Decision No. 22313, subject to the terms and conditions imposed by that decision.

Columbia Utilities Company of California, Ltd. was organized on or about August 19, 1930 with an authorized capital stock composed of 2500 shares without nominal or par value, all common. It appears from the record that the corporation hereafter will file with the Commission an application for permission to issue its shares of stock to finance the cost of its properties.

ORDER

Application having been made to the Railroad Commission for an order authorizing the transfer of properties from Agnes Richey Kattenhorn to Columbia Utilities Company of California, Ltd., a public

hearing having been held before Examiner Fankhauser and the Railroad Commission being of the opinion that the application should be granted as herein provided,

IT IS HEREBY ORDERED that Agnes Richey Kattenhorn be, and she hereby is, authorized to sell and transfer on or before November 1, 1930 all of her telephone properties located in California, including the certificate of public convenience and necessity granted her by Decision No. 22313, dated April 10, 1930, to Columbia Utilities Company of California, Ltd.

The authority herein granted is subject to the following conditions:-

- (1) Columbia Utilities Company of California, Ltd. shall file with the Commission within thirty days after its execution, a copy of the instrument of conveyance conveying the properties herein authorized to be transferred, and a statement indicating the exact date upon which it acquired and commenced operating such properties.
- (2) The consideration to be paid for the properties of Agnes Richey Kattenhorn shall not hereafter be urged before this Commission as a basis of value of such properties for the purpose of fixing rates, issuing securities or other purposes.
- (3) Columbia Utilities Company of California, Ltd. shall comply with the terms and conditions set forth in the order in said Decision No. 22313, except that compliance with condition one of said order may be made by the establishment of exchange telephone service from a central office located at a point in the Tule Lake District in California at the rates and time as prescribed in said condition one.

(4) The authority herein granted will become effective upon the date hereof.

DATED at San Francisco, California, this 22nd day of September, 1930.

Clarence

Leon Whidell
Paul B. Smith

Commissioners.