

ORIGINAL

Decision No. 23086

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
COLUMBIA UTILITIES COMPANY OF)
CALIFORNIA, LTD., a California cor-) Application No. 16981
poration, for permit to issue stock.)

C. Huntington Jacobs, for applicant.

BY THE COMMISSION:

O P I N I O N

In this application the Railroad Commission has been asked to make an order authorizing Columbia Utilities Company of California, Ltd. to issue and sell 2,500 shares of its capital stock without nominal or par value, at the price of \$4.00 a share.

It appears that Columbia Utilities Company of California, Ltd. is a corporation organized on or about August 20, 1930, under the laws of the State of California with an authorized capital stock of 2,500 shares, all of no par value and all of the same class. No stock has been issued to date, but it appears that applicant's incorporators have subscribed to all the authorized shares at the price of \$4.00 a share and have paid into the company's treasury the sum of \$10,000.00. It is now proposed to issue the shares of stock in full payment and satisfaction of the amounts thus advanced.

The record in this and in a previous application, No. 16242, shows that the company was organized, at the outset at least, to engage in the telephone business in Modoc and Siskiyou Counties, California, with the exchange to be located near or at the proposed townsite of Tule Lake. It appears that on October 1, 1930, under authority granted by Decision No. 22890, dated September 22, 1930, in Application No. 16242, the company acquired from Agnes Richey Kattenhorn telephone lines and properties located in the above counties, together with a certificate of public convenience and necessity theretofore granted her by the Commission. The order of the Commission, as amended, granting said certificate, provides for the establishment of the central office at Tule Lake on or before May 1, 1931. It appears that applicant's lines connect with lines located in Oregon, having central offices at Merrill and Malin, Klamath County, owned by a corporation affiliated with applicant and controlled by the same interests.

Testimony offered in the preceding application indicates that the cost of the California properties now owned by applicant was \$5,000.00, and that it was the intention of applicant to expend about \$7,500.00 in making additions, betterments and extensions. We do not believe that it is in the interest of the public that there be issued 2,500 shares of stock against an investment of \$10,000.00. The order herein will authorize the issue of 400 shares of stock at \$25.00 per share and the use of the proceeds for the purposes set forth in the order following.

Applicant also asks the Commission to confirm the appointment of Raymond T. Anixter as transfer agent of its stock. However, neither the Public Utilities Act nor the Commission's Rules of

Procedure require the appointment of a transfer agent nor the approval or confirmation thereof by this Commission. It therefore appears unnecessary for us to pass on that phase of applicant's petition.

ORDER

Columbia Utilities Company of California, Ltd. having applied to the Railroad Commission for permission to issue stock, and the Commission being of the opinion that this is not a matter in which a public hearing is necessary and that the money, property or labor to be procured or paid for through such issue 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,

IT IS HEREBY ORDERED that Columbia Utilities Company of California, Ltd. be, and it hereby is, authorized to issue and sell, after the effective date hereof and prior to February 1, 1931, 400 shares of its capital stock without nominal or par value, for cash, at and for the price of \$25.00 a share and to use the proceeds of \$10,000.00 to pay the cost of the properties it now owns and to finance, in part, expenditures for additions to and betterments and extensions thereof.

The authority herein granted is subject to the following conditions:

(1) Applicant shall keep such record of the issue of the stock herein authorized and of the disposition of the proceeds, as will enable it to file, on or before the 25th day of each month, a verified report, as required by the Railroad Commission's General

Order No. 24, which order, insofar as applicable, is made a part of this order.

(2) The authority herein granted will become effective twenty days after the date hereof.

IT IS HEREBY FURTHER ORDERED that this application insofar as it involves the issue of 2100 shares of stock be denied without prejudice.

DATED at San Francisco, California, this 12th day of November, 1930.

W. C. Sawyer
Edwin C. ...

Thos. S. ...

Commissioners.