

Decision No. _____

ORIGINAL

Decision No. 5309

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of Paul Morris for an order authorizing the sale of a telephone line in Tuolumne and vicinity, Tuolumne County, California.

Application No. 3630.

BY THE COMMISSION.

O P I N I O N

Paul Morris, petitioner herein, attempted to transfer a certain telephone system operating as a public utility, known as the Tuolumne Telephone Exchange, to J. A. Livingston during the month of August, 1914. This transfer was made in violation of the provisions of Section 51(a) of the Public Utilities Act requiring an order of the Commission permitting the sale by a public utility of property devoted to the public use.

On or about September 1, 1916, J. A. Livingston attempted to resell the Tuolumne Telephone Exchange to George H. Jones and G. B. Naegle, and during the month of September, 1917, the said G. B. Naegle undertook to sell his interest to W. T. Gurney. The authority of the Railroad Commission was not sought prior to any of these transfers.

Applicant alleges that he was not aware that it is necessary for an individual owning and operating a public utility property to secure the approval of this Commission before said property can be transferred.

The Tuolumne Telephone Exchange is a small utility operating in the town of Tuolumne, Tuolumne County, and vicinity. An

actual inventory of the property of this telephone system has not been made by either the present or former owners, and the Commission is without definite knowledge as to the extent or value of same. The petition herein states that, as of August, 1914, the Tuolumne Telephone Exchange consisted of one switchboard, fifty miles of telephone wire, ninety telephones in use and eighteen telephones as supplies on hand. It is alleged that the sum of \$3,000.00 was the fair cash value of this system as of August, 1914, and that the same amount represents its value on December 31, 1917.

This telephone system is operated in conjunction with a general merchandise business. The various transfers hereinbefore referred to covered this merchandise business, together with the Tuolumne Telephone Exchange. The separate consideration paid for this telephone system at each transfer is not shown.

Petitioner states that this telephone system has been conducted carefully and economically and no complaint has been made of the service rendered by it.

We are of the opinion that the public interest will be subserved by the approval of the application and that this is not a case requiring a public hearing.

O R D E R

Application having been filed with the Railroad Commission by Paul Morris for permission to sell the Tuolumne Telephone Exchange, as set forth in the preceding opinion, to George H. Jones and W. T. Gurney, and it appearing to the Commission that the public interest will be subserved by the granting of this application, and it further appearing that this is not a case in which a public hearing is necessary,

IT IS HEREBY ORDERED that the application herein be and it is hereby granted; provided that the value of this property

claimed by petitioner, as set forth in the opinion herein, is not to be taken by this Commission or other authority as representing its fair value for rate making or other purposes.

Dated at San Francisco, California, this 15th
day of April, 1918.

Max Thelen

Alvin Gordon

Edwin C. Edgerton

Frank R. Wilson

Commissioners.