

Decision No. 863

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of
WESTERN ELECTRIC COMPANY to sell and
PACIFIC TELEPHONE AND TELEGRAPH COM-
PANY to purchase the telephone exchange
plant located at Portola, Plumas
county, California.

Application No. 579.

Appearance

H. A. Johnson for applicants.

LOVELAND, Commissioner:

OPINION

This small telephone plant was originally started by the Western Electric Company and about two years ago was sold to Mr. C. E. Gardner for the sum of \$580.00. Mr. Gardner made a small cash payment leaving a balance of \$413.00 for which he gave a ninety-day note. He defaulted in the payment of principal and interest of the note and the Western Electric Company took possession of the property under foreclosure sale January 8, 1913, having bid it in at sheriff's sale for \$575.00.

Not being in the business of operating telephones, the Western Electric Company asked permission to permit the Pacific Telephone and Telegraph Company to operate this exchange until arrangements could be made for sale. This application was made January 11, 1913, and was approved by the Commission February 22, 1913.

Application is now made by the Western Electric Company to sell to the Pacific Telephone and Telegraph Company, which company joins by an application to purchase.

Mr. H. A. Johnson, appearing for the applicants, claims to be familiar with the local conditions sufficiently to warrant him in saying that there were no objections on the part of patrons of this exchange; that on the contrary it would be greatly to the benefit of the subscribers to permit the sale to the Pacific Telephone and Telegraph Company.

In addition to the rates for this exchange now on file with the Commission it is proposed to put in a one-party rate applying both to residence and business houses, as follows:

One-party rate for residences-			
Wall telephones.....	\$2.00	per month	
Portable desk telephones.....	2.25	"	"
One-party rate for business houses-			
Wall telephones.....	2.50	"	"
Portable desk telephones.....	2.75	"	"

Subscribers desiring the improved service which these telephones will provide, may arrange to have it.

I find, as a matter of fact, that the convenience of the public will be served by granting the application and recommend the following Order, subject to condition mentioned:-

ORDER

The Western Electric Company having asked permission to sell and the Pacific Telephone and Telegraph Company to purchase the telephone exchange plant located at Portola, Plumas county, California, for the sum of \$466.31; and it having been found that the interests of the subscribers to this exchange and of the public will be best served by permitting this sale and purchase;

IT IS HEREBY ORDERED: That the Western Electric Company be, and it is permitted to sell, and the Pacific Telephone and Telegraph Company be, and it is permitted to purchase the telephone exchange plant located at Portola, Plumas county, California, for the sum of \$466.31, subject to the following condition, namely: that the Pacific Telephone and Telegraph Company file with this Commission a stipulation that the rates now being charged to patrons at Portola are satisfactory and that no advance in said rates is contemplated, and no change, other than the application of the one-party rate explained above.

IT IS FURTHER ORDERED that this price need not be binding upon this Commission or other regulatory body as a fair value of the property for rate fixing purposes.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 11th day of August, 1913.

H. D. Loveland
Max Gordon
Edwin D. Edgerton
Max Thelen

Commissioners.