

Decision No. 27018

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Petition of
BEAR VALLEY UTILITY COMPANY,
a Corporation, and INTERSTATE
TELEGRAPH COMPANY, a Corporation,
for an Order authorizing the sale
of Telephone Utility Property.

Application No. 19415

Henry W. Coil, Newman Jones, H. M. Hammack
and D. L. King, for Interstate Telegraph
Company;

Paul Overton and W. C. Kennedy, for Bear
Valley Utility Company.

BY THE COMMISSION:

OPINION

The Commission is asked in this proceeding to enter its order authorizing Bear Valley Utility Company to sell for \$10,000.00 cash to Interstate Telegraph Company, all of its telephone properties, business, good will, franchises, permits and certificates used exclusively by Bear Valley Utility Company in the operation of its telephone system; and authorizing Bear Valley Utility Company to abandon its operations and service as a public utility telephone company in Big Bear Valley and environs, in San Bernardino County. The Commission is also asked to authorize Interstate Telegraph Company to acquire and operate the aforesaid telephone properties and to grant to Interstate Telegraph Company a certificate that public convenience and necessity require the exercise by Interstate Telegraph Company of the franchise to serve as a public utility the telephone subscribers in Big Bear Valley

and environs, in San Bernardino County, with telephone exchange and toll service.

The Commission by Decision No. 10606 dated June 22, 1922 in Application No. 7495 (Vol. 21, Opinions and Orders of the Railroad Commission of California, page 868) authorized Bear Valley Utility Company to exercise the rights and privileges granted by the Board of Supervisors of San Bernardino County on November 21, 1921 in Ordinance No. 198. It appears from the deed, assignment and bill of sale filed in this proceeding as Exhibit "C" that the Bear Valley Utility Company will sell to the Interstate Telegraph Company the rights which it acquired under said Ordinance No. 198 and under said Commission's Decision No. 10606. These rights are transferable and may be acquired by Interstate Telegraph Company. Inasmuch as Interstate Telegraph Company has filed no new franchise, no additional certificate of public convenience and necessity seems necessary.

It is of record that the Bear Valley Utility Company owns and operates a telephone system in Big Bear Valley and environs, in San Bernardino County. The telephone system is composed of (a) an exchange system supplying communication facilities in Pine Knot, Big Bear City, Fawnskin and surrounding territory, and (b) toll line facilities connecting the exchange located at Pine Knot, with the telephone system of the Southern California Telephone Company located at Highland and San Bernardino, a distance of about 30 miles. The original cost of the telephone properties is reported at \$100,892.34 and their present value at \$14,106.26. For 1933 the Bear Valley Utility Company reports telephone operating revenues of \$6,432.93.

The Bear Valley Utility Company has agreed to sell its telephone properties to the Interstate Telegraph Company for the sum of \$10,000.00. The purchaser proposes to install an automatic exchange and furnish 24 hour instead of 15 hour service, and eliminate the expense of manual operators. It also contemplates the installation of other improvements. It reports the cost of its proposed improvements at about \$23,000.00.

It appears from applicants' petition that the transfer of the properties to the Interstate Telegraph Company and the installation of the new exchange should result in an improved service.

O R D E R

The Commission having considered the request of applicants and it appearing that this is not a matter on which a public hearing is necessary and that this application should be granted, subject to the provisions of this order, therefore,

IT IS HEREBY ORDERED, that the Bear Valley Utility Company and the Interstate Telegraph Company may, after the effective date hereof and prior to October 1, 1934, execute and consummate a deed, assignment and bill of sale in substantially the same form as the deed, assignment and bill of sale filed in this proceeding as Exhibit "C", and the former may sell and the latter purchase the properties described in said deed, assignment and bill of sale.

IT IS HEREBY FURTHER ORDERED, that upon the execution and delivery of said deed, assignment and bill of sale the Bear Valley Utility Company may abandon its operation and service as a public utility telephone company in Big Bear Valley and environs,

in San Bernardino County, and the Interstate Telegraph Company shall furnish telephone service as a public utility in the territory in which Bear Valley Utility Company may now render telephone service.

IT IS HEREBY FURTHER ORDERED, that the authority herein granted will become effective twenty (20) days after the date hereof.

IT IS HEREBY FURTHER ORDERED, that within sixty (60) days after the acquisition of the aforesaid properties, the Interstate Telegraph Company shall file with the Commission for its approval the book entries by which it proposes to record the purchase of the aforesaid telephone properties.

DATED at San Francisco, California, this 7th day of May, 1934.

CC Levey
Leon C. Levey
M. H. Levey
M. B. Levey
M. H. Levey

Commissioners.