

Decision No. \_\_\_\_\_

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
the

FARMINGTON MUTUAL TELEPHONE  
ASSOCIATION

to sell and withdraw from the telephone business, and U. B. McGuire to purchase and acquire certain telephone property located in and in the vicinity of Farmington, San Joaquin County, California; and to assume the obligation of rendering telephone service therein under the name of Farmington Telephone Company.

Application No. 22191

ORIGINAL

BY THE COMMISSION:

O P I N I O N

Farmington Mutual Telephone Association asks permission to transfer all of its telephone properties to U. B. McGuire, who intends to operate such properties under the fictitious name of Farmington Telephone Company.

The Association, having some twenty (20) members, has been and is engaged in rendering telephone service in and in the vicinity of Farmington, San Joaquin County, California. The telephone system is in need of repair. There is also a demand for better telephone service than has been furnished by the Association. The members of the Association have agreed to transfer the telephone properties to U. B. McGuire for a nominal consideration of \$1.00. The properties consisting of wire and telephone equipment are said to have a present value of \$260.00. In the sale and purchase agreement, U. B. McGuire agrees; (1) to install, at his own cost and expense, a fifty (50) line switch board (Kellogg-Magneto) and to rebuild the necessary connections to terminal pole; (2) to furnish, at his own cost and expense, rebuilt telephones of similar makes to subscribers, it being recognized that

the telephones now in service belong individually to telephone subscribers; (3) to put lines in serviceable condition at his own cost and expense immediately and rebuild within one year, at his own cost and expense entirely, the various lines so as to give and maintain good and adequate service; (4) to furnish, at his own cost and expense, batteries and everything necessary to maintain first class magneto telephone service; (5) to maintain, at his own cost and expense, 24 hour service; (6) to operate the exchange at a cost to the subscribers of not more than \$2.00 per month for party lines and \$3.00 per month for private lines.

It is for this Commission and not the parties to the agreement to fix the rates to be charged for telephone service by U. B. McGuire.

U. B. McGuire testified that he would operate the properties in accordance with the rules and regulations of the Railroad Commission and until otherwise authorized, would charge the rates now being charged by the Farmington Mutual Telephone Association. He has already made some of the improvements mentioned in the agreement.

#### ORDER

A public hearing having been held on October 5, 1938, before Examiner Fankhauser on the above entitled matter, and the Commission having considered the evidence submitted at such hearing and it being of the opinion that this application should be granted as herein provided, therefore,

IT IS HEREBY ORDERED, that Farmington Mutual Telephone Association be, and it is hereby, authorized to transfer on or before December 31, 1938, to U. B. McGuire all of its telephone properties described in this application, said transfer to be made subject to the terms and conditions of the agreement filed in this proceeding as Exhibit "C", except that paragraph six thereof, relating to rates to be charged by U. B. McGuire, shall at all times be subject to modification by an order

of the Railroad Commission.

IT IS HEREBY FURTHER ORDERED, that upon the transfer of said telephone properties to U. B. McGuire, Farmington Mutual Telephone Association is relieved from the responsibility of operating a telephone system in the territory now served by it and said U. B. McGuire may conduct under the name of Farmington Telephone Company, a telephone business in the area where Farmington Mutual Telephone Association is now authorized to engage in such business.

IT IS HEREBY FURTHER ORDERED, that within thirty (30) days after the acquisition of said telephone properties by U. B. McGuire, said U. B. McGuire shall file with the Railroad Commission a copy of the agreement under which he acquired and holds title to said telephone properties.

DATED at San Francisco, California, this 17<sup>th</sup> day of October, 1938.

Richard W. Smith  
John A. Smith  
James H. Smith  
Ray L. Smith

COMMISSIONERS