

Decision No. 36873

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
DUCOR-CALIFORNIA HOT SPRINGS TELEPHONE
AND TELEGRAPH COMPANY, a California
Corporation, for an order authorizing
transfer of its properties to H. B.
Roome and Ina Roome, husband and wife,
as joint owners.

ORIGINAL

Application No. 25973

BY THE COMMISSION:

OPINION AND ORDER

In this application Ducor-California Hot Springs Telephone and Telegraph Company, a public utility, operating exchange and message toll telephone service in and about Ducor and California Hot Springs in Tulare County, California, requests an order of the Railroad Commission authorizing the transfer of its telephone properties to H. B. Roome and Ina Roome, husband and wife, as joint owners.

Ducor-California Hot Springs Telephone and Telegraph Company has outstanding 4,100 shares of capital stock of the par value of \$1 each. Of this stock, 2,000 shares are owned by H. B. Roome, 2,000 shares by Ina Roome and 100 shares by their son, Leon Roome. The stock is held by the former owner thereof as security for the payment of the balance due on the purchase price of the stock. The present owners still owe \$2,000 of the \$5,000 purchase price.

The stockholders of Ducor-California Hot Springs Telephone and Telegraph Company have concluded to dissolve the corporation and distribute all of its assets to H. B. Roome and Ina Roome, husband and wife, as joint owners. Ina Roome is now President and Manager of applicant corporation. No change in the management, operations or rates will follow the transfer of the properties to H. B. Roome and Ina Roome.

To refund the indebtedness due on said stock purchase, H. B. Roome and Ina Roome ask permission to issue to Thaddeus B. Houghton and his sister, Elizabeth H. Guthrie, their \$2,000 note with interest payable at the rate of 5% per annum. The principal and interest are payable in monthly installments of \$50 per month. The payment of the note will be secured by a chattel mortgage on the telephone properties. A copy of the note and chattel mortgage are filed in this application as Exhibit "B."

The Commission has considered applicants' requests and is of the opinion that a public hearing is not necessary in this matter; that the transfer of the properties should be authorized; that the issue of the note herein authorized is necessary for the purpose of refunding indebtedness, and that this application should be granted subject to the provisions of this Opinion and Order, therefore

IT IS ORDERED that Ducor-California Hot Springs Telephone and Telegraph Company be, and it is hereby, authorized to transfer, after the effective date hereof and on or before June 30, 1944, the telephone properties referred to in this application to H. B. Roome and Ina Roome, as joint owners, and H. B. Roome and Ina Roome are hereby authorized to acquire and operate said telephone properties, as joint owners, and to issue for the purpose of refunding a \$2,000 indebtedness, a promissory note in the amount of \$2,000, with interest at the rate of 5% per annum, said principal and interest to be payable in monthly installments of \$50, and to execute a chattel mortgage to secure the payment of said note and said chattel mortgage to be in substantially the same form as the note and chattel mortgage filed in this application as Exhibit "B."

IT IS FURTHER ORDERED that the authority herein granted is subject to the following conditions:

1. That the authority granted to execute a chattel mortgage is for the purpose of this proceeding only, and is granted only in so far as this Commission has jurisdiction under the Public Utilities Act, and is not intended as an approval of said instrument as to such other legal requirements to which it may be subject,

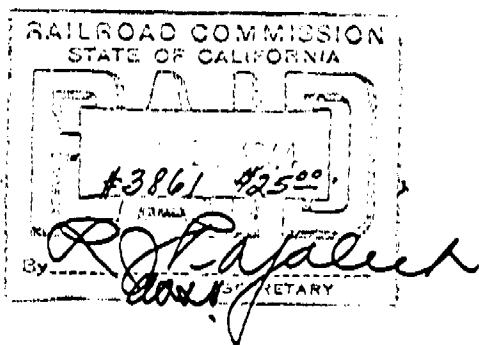
2. That the consideration paid by H. B. Roome and Ina Roome for said properties shall not be urged as a measure of value of said telephone properties for the purpose of fixing rates.

3. That within thirty days after the transfer of the telephone properties under the authority herein granted, H. B. Roome and Ina Roome shall file with the Railroad Commission a certified copy of each instrument of conveyance under which they acquire and hold title to such properties and a copy of the note and a copy of the chattel mortgage executed by them under the authority herein granted in part payment for such properties.

4. That H. B. Roome and Ina Roome shall file with the Railroad Commission, not later than the fifth day immediately preceding the transfer of said telephone properties, a notice that they adopt the tariff schedules, including rates and rules and regulations then operative in the service territory of the Ducor-California Hot Springs Telephone and Telegraph Company, a corporation.

IT IS FURTHER ORDERED that the authority herein granted shall become effective when H. B. Roome and Ina Roome have paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which minimum fee is twenty-five dollars.

Dated at Los Angeles, California, this 15th day of February, 1944.



Richard L. Lusk
Justice J. Calver
Truman D. Hawener
Thomas A. Clary
Commissioners