

ORIGINAL

Decision No. 42679

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
William J. Davis, owner of the	:	
Knights Landing Telephone Exchange,)	Application
for an order authorizing the sale	:	No. 30152
of his telephone property to)	
E. A. Hosmer of San Francisco.	:	
-----)	

OPINION AND ORDER

This is an application for an order of the Public Utilities Commission authorizing William J. Davis to sell to E. A. Hosmer the public utility telephone system known as the Knights Landing Telephone Exchange.

The application shows that William J. Davis, hereinafter referred to as Seller, is now and for a number of years has been, engaged in giving telephone service in and about the community of Knights Landing in Yolo County, California. In his annual reports to the Commission for the last three years he has reported his operating revenues at \$7,683.10 in 1946, at \$8,191.38 in 1947, and at \$9,404.15 in 1948. He reports his investment in the telephone plant as of December 31, 1948, at \$8,525.67.

Seller reports that because of other duties he is unable to devote his time to the operation of the telephone plant and that, accordingly, he has made arrangements to sell it to E. A. Hosmer, hereinafter referred to as Buyer, for the sum of \$10,000. The properties that are being transferred consist of one 160-line Kellogg magneto switchboard, 220 poles in service,

600 poles (more or less) salvage from Western Union line, 75 circuit miles #12 BB iron wire, 23 circuit miles #9 BB iron wire, salvage from Western Union line, 15 Leich self-contained magneto desk sets, now, 90 Kellogg desk stand telephones, 90 Kellogg magneto ringer boxes, 45 Kellogg magneto wall telephones, and miscellaneous telephone equipment, tools and supplies. An inventory of the properties is on file in this application.

Seller agrees to complete the salvage of the Western Union Telegraph line and agrees that all material resulting from said salvage operation will be the property of the Buyer. Seller also agrees to remove the poles and aerial wire utilized to span the Sacramento River at Knights Landing and provide, in lieu thereof, a submarine cable. Buyer agrees to provide skilled labor necessary to splice said submarine cable into the remaining open wire sections of the line.

The agreement of sale provides that the Buyer shall pay \$4,000 of the purchase price upon the approval of the transfer of the property by the Commission. The balance of \$6,000 may be paid by him in 40 equal monthly installments of \$150 each, with interest at 5% per annum, the first monthly payment to be made 60 days from the date of the approval of the transfer by the Commission. Buyer may, at his option, pay more than \$150 per month and may liquidate the entire indebtedness at any time. Buyer reports that he will proceed immediately to enlarge and improve the Knights Landing Telephone Exchange properties. To obviate the necessity of securing outside capital for that purpose, Buyer was given the option to pay part of the purchase price over the period mentioned. A copy of the contract of sale is on file in this proceeding as Exhibit "A".

The Commission has considered this application and is of the opinion that a public hearing thereon is not necessary, that the application should be granted, as herein provided, and that the money, property or labor to be procured or paid for through the execution of said contract of sale is reasonably required by E. A. Hosmer for the purpose herein stated; therefore,

IT IS HEREBY ORDERED as follows:

1. William J. Davis, after the effective date hereof, may sell and transfer his public utility telephone properties known as the Knights Landing Telephone Exchange, to E. A. Hosmer, such sale to be made in accordance with the terms and conditions of the contract of sale on file in this proceeding as Exhibit "A", which contract said William J. Davis and said E. A. Hosmer may execute to effect the sale and transfer of said properties.
2. The rates, rules and regulations of William J. Davis, doing business under the name of Knights Landing Telephone Exchange, now legally on file with the Commission, shall be refiled within thirty (30) days from the date of the transfer of possession of the Knights Landing Telephone Exchange properties under the name of E. A. Hosmer, in accordance with the procedure prescribed by General Order No. 96, or, in lieu of such refiling, E. A. Hosmer may file a notice of adoption of said presently filed rates. No increase in the present lawfully filed rates, rules and regulations shall be made, unless otherwise properly authorized by this Commission.
3. The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

4. The authority herein granted will become effective when E. A. Hosmer has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is twenty-five (\$25.00) dollars.

Dated at San Francisco, California, this 5th day of April, 1949.

R. F. [Signature]
Justice F. Casper
Grant [Signature]
Harold [Signature]
Commissioners

PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
R 11097
APR 11 1949
\$25.00
By W.A. [Signature]