

ORIGINAL

Decision No. A2977

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application	)	
of the SUISUN AND GREEN VALLEY	:	Application
TELEPHONE COMPANY, for Authorization	)	No. 30337
to Issue Additional Common Stock.	:	
-----	)	

# O P I N I O N

Suisun and Green Valley Telephone Company owns and maintains a system of rural telephone lines which terminate in a central exchange switchboard located in Suisun, California, and operated by The Pacific Telephone and Telegraph Company. Applicant has no switchboard of its own. However, it owns 293 telephone stations. For 1948, applicant reports operating revenues of \$10,269.62 and net income of \$2,464.02. As of December 31, 1948, applicant's assets and liabilities are reported as follows:

## Assets

Telephone plant	\$42,754.06
United States government bonds	3,500.00
Cash	1,154.17
Materials and supplies	<u>2,209.58</u>
Total assets	<u>\$49,617.81</u>

## Liabilities

Capital stock	\$ 8,000.00
Notes payable	4,000.00
Accounts payable	201.53
Customers' deposits	164.59
Depreciation reserve	15,421.90
Surplus	<u>21,829.79</u>
Total liabilities	<u>\$49,617.81</u>

Applicant has an authorized stock issue of 200 shares of the par value of \$50 each. It has issued and outstanding 160 shares of its stock. The number of its stockholders is reported at 105.

Applicant's petition shows that it is in need of funds to enlarge and improve its telephone properties. To obtain such funds, it asks permission to issue and sell 40 shares of its capital stock at \$50 per share.

#### O R D E R

The Commission having considered this application and being of the opinion that a hearing thereon is not necessary, that the money, property or labor to be procured or paid for by Suisun and Green Valley Telephone Company through the issue and sale of 40 shares of its capital stock is reasonably required by it for the purposes herein stated, which purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Suisun and Green Valley Telephone Company may issue and sell, after the effective date hereof and on or before September 30, 1949, at not less than \$50 per share, not exceeding forty (40) shares of its common stock, and use the proceeds to pay the cost of enlarging and improving its telephone properties.

2. On or before October 31, 1949, Suisun and Green Valley Telephone Company shall file with the Commission a report

showing the number of shares of stock issued and sold under the authority herein granted, the names of the person or persons to whom said shares of stock were sold, the consideration received for said shares of stock, and the purposes for which it expended the proceeds realized from the issue and sale of said shares of stock.

3. The authority herein granted will be effective twenty (20) days after the date hereof.

Dated at San Francisco, California, this 14<sup>th</sup> day of June, 1949.

R. J. [Signature]  
Justin J. [Signature]  
[Signature]  
Harold P. [Signature]  
[Signature]  
Commissioners