

Decision No. 49940**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 The Independent Telephone Company,)
 owner of the Knights Landing Telephone) Application No. 35324
 Exchange, for an order authorizing the)
 sale of its Knights Landing telephone)
 property to O. H. Ivey.)

OPINION AND ORDER

By this application, filed on April 7, 1954, The Independent Telephone Company, a corporation, hereinafter referred to as seller, seeks authority to sell the telephone facilities in its Knights Landing telephone exchange serving portions of Yolo and Sutter Counties to O. H. Ivey, an individual, hereinafter referred to as buyer, for \$25,000 cash payable in accordance with the terms of the Contract of Sale of Assets attached to the application as Exhibit A. Buyer seeks authority to purchase the telephone facilities in the Knights Landing exchange and to furnish telephone service throughout said exchange.

Seller is a corporation organized under the laws of the State of California, with headquarters in Kenwood, Sonoma County, and for a number of years has been engaged, among other things, in rendering telephone service in portions of Yolo and Sutter Counties, California, as a public utility. At the present time seller operates local exchange lines in and about the town of Knights Landing, which lines are interconnected through the nationwide toll network by means of toll circuits terminating in the Woodland exchange of The Pacific Telephone and Telegraph Company. Buyer has been majority stockholder in the San Miguel Interurban Telephone Company and a successful operator of exchanges comparable in size to the Knights Landing telephone exchange.

The application alleges that buyer is financially and technically qualified to carry on adequately the operations of the Knights Landing telephone exchange: It appears that no change in name and no change in the corporate, financial or operational status of seller will result from the sale and purchase applied for. If the application is granted the property will be operated under the name and style, "The Enterprise Telephone Company, O. H. Ivey, Owner."

Exhibit A, attached to the application, contains the following statements:

1. "All the books and records of said Knights Landing Telephone Exchange shall become the property of Buyers and shall be handed over intact.
2. "The Buyers specifically covenant and agree to file with the said Commission a notice that they adopt the Tariff schedule, including the rules and regulations, then operative in the service territory of the Knights Landing Telephone Exchange."

Based upon a review of this application, the Commission is of the opinion that a public hearing thereon is not necessary, that the transfer will not be adverse to the public interest, and that the application should be granted as herein provided. The action taken herein shall not be construed to be a finding of the value of the property herein authorized to be transferred.

IT IS HEREBY ORDERED that The Independent Telephone Company may, on or after the effective date hereof and on or before July 1, 1954, sell and transfer the herein described public utility property to O. H. Ivey pursuant to the Contract for Sale of Assets embodied in Exhibit A of the application, subject to the following conditions:

1. The rates, rules and regulations of The Independent Telephone Company applicable to its Knights Landing exchange, now legally on file with this Commission, shall be refiled within thirty days from the date of transfer under the name of The Enterprise Telephone Company, O. H. Ivey, Owner, in accordance with procedure prescribed by General Order No. 96. No increases in the presently lawful filed rates, rules and regulations shall be made, unless otherwise properly authorized by this Commission.

2. Coincident with the filing of rates by buyer, seller shall refile its tariff schedules, in accordance with General Order No. 96, to exclude therefrom all rates, rules and regulations applicable to Knights Landing exchange.
3. On or before the date of actual transfer The Independent Telephone Company shall refund all deposits which customers on the Knights Landing exchange are entitled to have refunded; and any unrefunded deposit shall be transferred to and become the obligation for refund of The Enterprise Telephone Company, O. H. Ivey, Owner.
4. Within sixty days after the transfer, the proposed accounting entries by which the purchase price of the properties will be distributed to accounts on the books of the buyer shall be submitted to the Commission.
5. If the authority herein granted is exercised, the applicants shall within thirty days thereafter notify this Commission, in writing, of the date of such completion of the property transfer herein authorized and of its compliance with the conditions hereof.
6. On or before the date of actual transfer of the physical properties herein authorized, The Independent Telephone Company shall transfer and deliver to The Enterprise Telephone Company, O. H. Ivey, Owner, and the latter shall receive and preserve all available records, memoranda, and papers pertaining to the construction and operation of The Independent Telephone Company's Knights Landing exchange.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 20th day of April, 1954.

[Signature]
President

Justin J. Calmes

[Signature]

[Signature]

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Commissioners