

Decision No. 50345

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
VIRGIL A. ROOME, doing business as)
DUCOR TELEPHONE COMPANY,)
to execute and deliver a conditional)
sales contract.)
-----)

Application
No. 35628

OPINION AND ORDER

In this application Virgil A. Roome, an individual doing business as Ducor Telephone Company, requests authority to enter into a conditional sales contract for the purchase of telephone equipment.

Applicant is engaged in the business of rendering telephone service in Ducor, Tulare County, and in the territory adjacent thereto. His investment in telephone plant and equipment as of December 31, 1953, is reported at \$26,613.08 and for the year ended December 31, 1953, he reports operating revenues of \$10,613.10 and a net loss of \$851.59 after deducting \$892.42 for depreciation expense.

Applicant advises that he desires to improve and increase his telephone service, and as a step to accomplish this objective he proposes to purchase a 50-line dial switchboard, 100 dial telephones and two carrier terminals with associated equipment from Stromberg-Carlson Company at a contract price of \$12,719.87. To finance the purchase price of the new equipment applicant proposes to enter into a conditional sales contract with Stromberg-Carlson Company, which

contract provides that at least 10% of the \$12,719.87 will be paid in cash prior to September 1, 1954, and that the deferred balance will be paid, commencing March 15, 1955, in 60 monthly installments consisting of 59 payments of \$191 and one final payment of \$178.88. Interest on the deferred balance is to be computed at the rate of 6% per annum starting February 15, 1955, and is to be paid monthly. A copy of the conditional sales contract which applicant proposes to enter into is attached to the application as Exhibit B.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for by the execution of the conditional sales contract herein authorized is reasonably required by applicant for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Virgil A. Roome, an individual doing business as Ducor Telephone Company, on or before December 31, 1954, may enter into a conditional sales contract with Stromberg-Carlson Company under the terms and conditions set forth in this application, for the purpose of financing in part the cost of new equipment.

2. Within 60 days after execution, applicant shall file with the Commission a copy of the conditional sales contract as actually executed.

3. The authority herein granted will become effective when applicant has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.00.

Dated at San Francisco, California, this 3rd day of August, 1954.

Robert E. Mitchell
President

Justus J. Caswell
Samuel J. Pittel
Verne Roggins

Commissioners

