

Decision No. 51752

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
IDA LOCKHART and RALPH E. HOEPER	:	
co-owners of "FORESTHILL TELEPHONE)	
EXCHANGE", for an Order of the	:	
Commission authorizing IDA LOCKHART)	Application
to sell her interest in "FORESTHILL	:	No. 37088
TELEPHONE EXCHANGE" to RALPH E. HOEPER)	
and to authorize IDA LOCKHART to with-	:	
draw from the Public Utilities Telephone)	
Business in the Foresthill territory.	:	
-----)	

O P I N I O N

In this proceeding the Commission is asked to make an order authorizing Ida Lockhart to transfer her interest in the Foresthill Telephone Exchange to Ralph E. Hoeper and authorizing Ralph E. Hoeper to execute a deed of trust and to issue a note in the principal amount of not exceeding \$7,500.

The application shows that Ida Lockhart and Ralph E. Hoeper, as co-owners, have been engaged in operating the Foresthill Telephone Exchange serving the Town of Foresthill in Placer County and surrounding territory, but that said individuals, on December 31, 1953, entered into an agreement looking toward the dissolution of the partnership and the transfer of the interest of Ida Lockhart to Ralph E. Hoeper, as the continuing partner, for the sum of \$7,500, to be represented by a note payable in monthly installments of \$124.30 commencing January 1, 1954, with interest at the rate of 6% per annum.

Information filed with the Commission shows that said Ralph E. Hoeper, subsequent to the date of the agreement, has continued the operations of the utility pending the preparation and

filing of the application for the Commission's approval, and that during 1954 his revenues amounted to \$12,415 and his net income to \$3,651, before allowance for his own salary or for taxes on income. His financial position as of the end of 1954 is indicated in the following balance sheet:

<u>Assets</u>		
Telephone plant, less reserve		\$13,874
Current assets -		
Cash	\$ 77	
Accounts receivable	1,275	
Materials and supplies	15	
Prepayments	<u>131</u>	
Total current assets		<u>1,498</u>
	Total	<u>\$15,372</u>
<u>Liabilities and Capital</u>		
Note to Ida Lockhart		\$ 6,429
Current liabilities -		
Notes payable	\$ 35	
Accounts payable	663	
Other liabilities	<u>444</u>	
Total current liabilities		<u>1,142</u>
Proprietary capital		<u>7,801</u>
	Total	<u>\$15,372</u>

The note in favor of Ida Lockhart in the amount of \$6,429 as shown in the preceding balance sheet is the unpaid balance of the agreed purchase price of \$7,500. Should the Commission approve the present transaction no additional indebtedness will be created and the financial position, as indicated herein, will not be affected by the order of the Commission.

According to the application, Ralph E. Hoyer is an electrical engineer and is experienced in telephone line construction and in the operation of central office equipment and has financial backing to continue the operations. Under the circumstances set forth in the verified proceeding we are of the opinion, and hereby find, that the transfer will not be adverse to the public interest.

The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

O R D E R

The Commission having considered the above entitled matter and being 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 issue of the note herein authorized is reasonably required by applicant Hoepfer 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. Ida Lockhart, after the effective date hereof and on or before December 31, 1955, may sell and convey to Ralph E. Hoepfer all of her right, title and interest in and to the Foresthill Telephone Exchange and connecting system.

2. Upon due compliance with all the conditions of this order, Ida Lockhart shall stand relieved of all further utility obligations and liabilities in connection with the operation of the public utility telephone system herein authorized to be transferred.

3. Ralph E. Hoepfer may execute a deed of trust and may issue a promissory note in the principal amount of not exceeding \$7,500, or such lesser sum to which said amount may have been reduced, in part payment for the properties herein authorized to be conveyed.

4. The rates, rules and regulations of Ida Lockhart and Ralph E. Hooper now on file with the Commission shall be refilled within 30 days after the date of transfer under the name of Ralph E. Hooper, in accordance with the procedure prescribed by General Order No. 96, or, in lieu of such refiling, Ralph E. Hooper may file a notice of adoption of said presently filed rates, rules and regulations. No increase in the present rates shall be made unless authorized by the Commission.

5. Ralph E. Hooper shall file with the Commission monthly reports as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

6. The authority herein granted will become effective when Ralph E. Hooper has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.

Dated at San Francisco, California, this 2nd day of August, 1955.

Arthur E. Mitchell
President

Justus J. Casner

Paula Intergreiner

William J. Hooley

R. Hardy
Commissioners

