

Decision No. 52138**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application)
of CENTRAL CALIFORNIA TELEPHONE COM-)
PANY, a corporation, and JOHN F. NEHER)
and MAE NEHER, his wife, doing business)
as FARMINGTON TELEPHONE COMPANY for an) Application No. 37348
order authorizing John F. Neher and)
Mae Neher, his wife, to sell their)
telephone system to Central California)
Telephone Company.)

OPINION AND ORDER

John F. Neher and Mae Neher, doing business as Farmington Telephone Company, hereinafter sometimes referred to as "Sellers", by application filed on September 28, 1955, request authority to sell their telephone system to Central California Telephone Company, hereinafter sometimes referred to as "Buyer".

Sellers are the owners and operators of a public utility telephone system serving approximately 155 subscribers within the community of Farmington, San Joaquin County, and adjacent area. Buyer is a California public utility furnishing exchange and toll telephone service in Corcoran and Exeter, California. In addition, Buyer is constructing a telephone system to serve the communities of Linden and Clements and adjacent areas in San Joaquin and Calaveras Counties.

The application shows that Sellers desire to retire from active ownership of the Farmington telephone system; that the revenues therefrom are not sufficient to permit Sellers to employ additional personnel to manage such system; that the Farmington exchange is located adjacent to Buyer's Linden and Clements exchanges; and that upon completion of the proposed sale it is planned that all three exchanges will be under the local management of John F. Neher, whose headquarters will be at Linden.

It appears that on August 5, 1955, Sellers and Buyer entered into an agreement relating to the Farmington Telephone Company and in the form attached to the application as Exhibit A. Under the terms of said agreement Buyer agrees to pay Sellers \$22,743.73 for said telephone system. The purchase price, subject to certain adjustments, is payable in cash on the closing date specified in said purchase agreement.

The Commission has considered the above-entitled application and is of the opinion that a public hearing thereon is not necessary and that the granting of the application as herein provided will not be adverse to the public interest. However, the action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

IT IS HEREBY ORDERED as follows:

1. John F. Neher and Mae Neher, on and after the effective date hereof and on or before March 31, 1956, may sell and convey their telephone system to Central California Telephone Company in accordance with the terms and conditions of the agreement of sale filed as Exhibit A herein and, upon consummation of such sale and conveyance, may cease furnishing and supplying telephone service in the area in which they now operate.
2. On or before the date of actual transfer, John F. Neher and Mae Neher shall refund all deposits which customers are entitled to have refunded. Any unrefunded deposits shall be transferred to and become the obligation for refund of Central California Telephone Company.
3. Upon acquiring the properties of John F. Neher and Mae Neher, under the authorization herein granted, Central California Telephone Company shall charge the purchase price thereof to Account 276, Telephone Plant Acquired, and within six months thereafter shall file with the Commission its proposed journal entries to distribute the purchase price to primary plant and other accounts as prescribed in this Commission's Uniform System of Accounts for telephone companies.

4. Central California Telephone Company shall set up and maintain its records so as to show for Farmington exchange the investment in plant, the related depreciation reserve, and the revenues and expenses.
5. The rates, rules and regulations of John F. Neher and Mae Neher now on file with the Commission shall be refiled within thirty days after the date of transfer under the name of Central California Telephone Company, in accordance with the procedure prescribed by General Order No. 96 or, in lieu of such refiling, Central California Telephone Company 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.
6. If the authority herein granted is exercised, John F. Neher and Mae Neher, within thirty days thereafter, shall notify the Commission in writing of the date of the completion of the transfer herein authorized and of their compliance with the conditions hereof.
7. On or before the date of actual transfer of the physical properties herein authorized, John F. Neher and Mae Neher shall transfer and deliver to the Central California Telephone Company, and the latter shall receive and preserve, all records, memoranda and papers pertaining to the operations of the Farmington Telephone Company, as more specifically described in the Commission's General Order No. 28.

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

Dated at San Francisco, California, this 25th day of October, 1955.

(Signature)

 President
(Signature)

(Signature)

Commissioners