

ORIGINAL

Decision No. 71056

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of)
))
EARL L. JONES and NORMA K. DALE,)
dba PENINSULA RADIO SECRETARIAL)
SERVICE, a partnership, and)
PENINSULA RADIO SECRETARIAL)
SERVICE, INC., a corporation)
))
for authority to transfer and)
for PENINSULA RADIO SECRETARIAL)
SERVICE, INC., to acquire the)
radiotelephone common carrier)
public utility service and)
related property, and for)
PENINSULA RADIO SECRETARIAL)
SERVICE, INC., to issue)
securities.)

Application No. 48570
Filed June 22, 1966
and Amendment
Filed July 12, 1966

O P I N I O N

This is an application for an order of the Commission authorizing Earl L. Jones and Norma K. Dale to sell and transfer their radiotelephone utility business and certain related assets to Peninsula Radio Secretarial Service, Inc., and authorizing the latter to issue 1,413 shares of its \$10 par value capital stock.

By Decision No. 62156, dated June 20, 1961, in Case No. 6945, Perle L. Warner and Earl L. Jones, copartners doing business as Peninsula Radio Secretarial Service, having been found to be operating a radiotelephone public utility system, were authorized and directed to continue their operations. Perle L. Warner died in 1965 and her partnership interest

in the enterprise was transferred to her daughter, Norma K. Dale, pursuant to authority granted by Decision No. 69588, dated August 24, 1965, in Application No. 47773. The principal place of business is located in the City of San Mateo.

In the present proceeding Earl L. Jones and Norma K. Dale seek permission to sell and transfer their radio-telephone public utility operating rights and physical equipment to Peninsula Radio Secretarial Service, Inc. at a price equivalent to their net book value as of April 1, 1966, which was \$14,135. No value has been assigned to the operating rights.

Peninsula Radio Secretarial Service, Inc., a California corporation organized on or about August 18, 1965, proposes to issue 1,413 shares of its capital stock having an aggregate par value of \$14,130 in payment for said assets.

Applicants assert that the general quality of utility service will be improved through the increased stability and the continuity of corporate existence.

The Commission has considered this matter and finds that: (1) the proposed sale and transfer will not be adverse to the public interest; (2) the money, property or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required for the purpose specified herein; and (3) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to

income. On the basis of these findings, we conclude that the application, as amended, should be granted. A public hearing is not necessary.

In issuing our order herein, we place Peninsula Radio Secretarial Service, Inc. and its shareholders on notice that we do not regard the number of shares outstanding, the total par value of the shares nor the dividends paid as measuring the return the company should be allowed to earn on its investment in plant and that the authorization herein given is not to be construed as a finding of the value of its stock or properties nor as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

The authority herein granted is subject to the following provision of law:

The Commission shall have no power to authorize the capitalization of the right to be a corporation, or the capitalization of any franchise or permit, or the right to own, operate, or enjoy any such franchise or permit, in excess of the amount (exclusive of any tax or annual charge) actually paid to the State or to a political subdivision thereof as the consideration for the grant of such franchise, permit, or right.

O R D E R

IT IS ORDERED that:

1. Earl L. Jones and Norma K. Dale, on or after the date hereof and on or before December 31, 1966, may sell and transfer, and Peninsula Radio Secretarial Service, Inc. may purchase and acquire, the radiotelephone public utility business and assets referred to in the application.

2. Peninsula Radio Secretarial Service, Inc., on or after the date hereof and on or before December 31, 1966, in acquiring said assets, may issue not to exceed \$14,130 aggregate par value of its capital stock.

3. As a condition of the authority herein granted, Peninsula Radio Secretarial Service, Inc. is hereby directed to continue the public utility responsibilities of Earl L. Jones and Norma K. Dale with respect to the area served by the radiotelephone system being transferred.

4. The tariffs of Earl L. Jones and Norma K. Dale now on file with this Commission shall be refiled within thirty days after the date of actual transfer under the name of Peninsula Radio Secretarial Service, Inc., in accordance with the procedure prescribed in General Order No. 96-A or, in lieu of such refiling, Peninsula Radio Secretarial Service, Inc. may file, by advice letter, a notice of adoption of said presently filed tariffs. No increase in the presently filed tariffs shall be made unless authorized by this Commission.

5. Earl L. Jones and Norma K. Dale, on or before the date of actual transfer, shall refund all customers' deposits and advances which are subject to refund. Any unrefunded deposits and advances shall be transferred to and become the obligation for refund of Peninsula Radio Secretarial Service, Inc.

6. On or before the end of the third month after the consummation of the transfer as herein authorized, Peninsula Radio Secretarial Service, Inc. shall cause to be filed with the Commission, in such form as the Commission may prescribe, an annual report, or reports, related to the operations of the sellers for the period commencing with the first day of the current year to and including the effective date of the transfer.

7. On or before the date of actual transfer of the specific properties herein authorized, Earl L. Jones and Norma K. Dale shall transfer and deliver to Peninsula Radio Secretarial Service, Inc., and the latter shall receive and preserve all records, memoranda and papers pertaining to the construction and operation of the radiotelephone utility authorized to be transferred.

8. If the authority herein granted is exercised, Peninsula Radio Secretarial Service, Inc. 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.

9. Upon compliance with the above ordering paragraphs, Earl L. Jones and Norma K. Dale are hereby relieved of their public utility responsibilities with respect to the property being transferred coincident with the full assumption of such responsibilities by Peninsula Radio Secretarial Service, Inc.

10. Peninsula Radio Secretarial Service, Inc. shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

11. The effective date of this order is the date hereof.

Dated at San Francisco, California, this 1st day of AUGUST, 1966.

E. N. Mitchell
President

George L. Grover

Fredrick B. Hillhoff

August

William C. Bennett
Commissioners