

ORIGINAL

Decision No. 76363

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
)
 SAN MIGUEL TELEPHONE COMPANY OF)
 CALIFORNIA)
)
 for authority to issue stock.)
)

Application No. 51292
 Filed August 1, 1969
 and Amendment
 Filed October 17, 1969

O P I N I O N

San Miguel Telephone Company of California is a California corporation providing telephone service in portions of Monterey, San Luis Obispo and Sonoma Counties. In this proceeding the company seeks an order of the Commission authorizing it to issue certificates representing 201,580 shares of 50¢ par value common stock upon surrender of certificates representing 10,079 shares of previously authorized \$10 par value common stock.

On or about October 2, 1969, applicant amended its Articles of Incorporation so as (a) to change the authorization from 20,000 shares of \$10 par value common stock to 400,000 shares of 50¢ par value common stock, and (b) to split up and convert each share of its previously outstanding \$10 par value common stock into 20 shares of 50¢ par value common stock. The company proposes to issue stock certificates reflecting said amendment with respect to 201,580 outstanding shares of common stock.

After consideration the Commission finds that: (1) the money, property or labor to be procured or paid for by the issue of the stock certificates herein authorized is reasonably required for the purpose specified herein; and (2) 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 applicant 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 the utility's stock or properties nor as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that San Miguel Telephone Company of California, for the purpose specified in this proceeding, may issue stock certificates for a total of 201,530 shares of 50¢ par value common stock on the basis of 20 shares of 50¢ par for each share of \$10 par value stock upon surrender of certificates representing said \$10 par value stock.

The effective date of this order is the date hereof.

Dated at San Francisco, California,
this 4th day of NOVEMBER, 1969.

William J. Jones, Jr.
President

Augustine
J. P. Williams, Jr.

John L. Sturgeon

Vermon L. Sturgeon
Commissioners