

Decision No. 81222

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

The California Farm Bureau Federa-
tion, a non-profit organization,

Complainant,

v.

San Miguel Telephone Company of
California,

Defendant.

Case No. 8855
(Filed November 4, 1968)

In the matter of the application
of San Miguel Telephone Company of
California for authorization to
borrow \$1,225,000, issue notes
therefor and execute security instru-
ments in connection therewith.

Application No. 51582
(Filed December 29, 1969)

ORDER TO SHOW CAUSE

It appearing that Commission Decision No. 77208 dated May 12, 1970 in the consolidated proceedings, Case No. 8855 and Application No. 51582, among other things, ordered Redwood Empire Telephone Company (formerly known as San Miguel Telephone Company of California) to do as follows:

"San Miguel Telephone Company of California 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."
(ordering paragraph 4)

And, ordering paragraph 5 having required that the utility, herein-
after called respondent, submit to the Commission as follows: —

"a. Operating and capital expenditure budgets for a five-year period. In addition to showing dollar amounts expended on plant construction, the budget shall include a construction time

schedule by exchange and by type of plant.
These budgets shall be filed within 90 days.

- "b. Quarterly financial statements (balance sheets, income statements, and capital expenditure statements, with supporting schedules) showing how closely the budget forecasts in dollar amounts and construction time schedules have been met, within 60 days of the end of each quarter.
- "c. Quarterly reports showing the number of main stations, by exchange, within 60 days of the end of each quarter.
- "d. Copies of all correspondence, reports or other documents sent to or received from the REA during the immediate prior calendar quarter, within 60 days of the end of each quarter.
- "e. A quarterly payroll summary segregated between office, management and maintenance and operational employees, showing the amount of the payroll charged to operating expenses, plant accounts and other accounts, within 60 days of the end of each quarter."

And, Decision No. 77208 having become effective June 1, 1970;
And, it further appearing that Public Utilities Code Section 702 provides that every public utility shall obey and comply with every order, decision, direction or rule made or prescribed by the Commission and shall do everything necessary or proper to secure compliance therewith by all officers, agents and employees;

And it further appearing that respondent has not complied with some or all of the above ordering paragraphs or other ordering paragraphs of Decision No. 77208;

And it further appearing that Decision No. 77208 (at

page 9) stated that:

"The Commission expects that defendant will proceed promptly, diligently and in good faith to carry out all of the orders enumerated above. If there is reason to believe that defendant has not been diligent in carrying out the above orders, the Commission will formally inquire into the circumstances for the purpose of determining whether or not defendant shall be held in contempt."

IT IS HEREBY ORDERED that respondent, Redwood Empire Telephone Company, its president, Joseph S. Ray and/or its officers and directors appear at the hearing to be held herein and show cause why respondent and each of its officers and directors have not complied with all the orders contained in Decision No. 77208 and why respondent, Mr. Ray and its officers and directors should not be held in contempt and be assessed appropriate penalties and fines under applicable sections of Chapter 11 of Division 1 of the Public Utilities Code and more specifically Section 2113 of the Public Utilities Code which provides as follows:

"Every public utility, corporation, or person which fails to comply with any part of any order, decision, rule, regulation, direction, demand, or requirement of the commission or any commissioner is in contempt of the commission, and is punishable by the commission for contempt in the same manner and to the same extent as contempt is punished by courts of record. The remedy prescribed in this section does not bar or affect any other remedy prescribed in this part, but is cumulative and in addition thereto. (Former Sec. 81.)"

IT IS HEREBY FURTHER ORDERED that public hearings in said matter shall be held before such Commissioner or Examiner and at such time and place as may hereafter be designated.

The Secretary is directed to cause a certified copy of this order to be served via mail upon respondent and its president

CD C.8855, A.51582

and to cause appropriate notice of hearing to be mailed at least ten (10) days before said hearing.

Dated at San Francisco, California, this 3rd day
of APRIL, 1973.

Vernon L. Stinson
President
William J. Symons, Jr.
R. H. Harkin, Jr.
James H. Brown
Robert H. Brown
Commissioners