

LSC

Decision No. 83816

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of)
CONTINENTAL TELEPHONE CORPORATION)
for an order authorizing it to)
control Redwood Empire Telephone)
Company.)

Application No. 55361
(Filed December 4, 1974)

O P I N I O N

Continental Telephone Corporation (of which Continental Telephone Company of California and Colfax Telephone Exchange are subsidiaries) seeks authority to control Redwood Empire Telephone Company, which owns and operates public utility telephone systems serving portions of the Counties of Kern, Kings, Monterey, San Luis Obispo and Sonoma.

Applicant proposes to control Redwood Empire Telephone Company through acquisition of at least 90% of the latter's outstanding voting stock. The transaction would be accomplished through the offer by Continental Telephone Corporation to exchange one share of its common stock for each of the outstanding shares of common stock of Redwood Empire Telephone Company. In addition, applicant would offer to acquire the outstanding shares of preferred stock of Redwood Empire Telephone Company by issuing in exchange therefor shares of common stock having a market value approximately equal to the redemption price of such preferred stock.

After consideration the Commission finds that control of Redwood Empire Telephone Company by Continental Telephone Corporation would not be adverse to the public interest and concludes that the

application should be granted. A public hearing is not necessary. The action taken herein shall not be construed as a finding of value of the stock of Redwood Empire Telephone Company.

O R D E R

IT IS ORDERED that Continental Telephone Corporation may control Redwood Empire Telephone Company.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 10th day of December, 1974.

Vernon L. Sturgeon
President
William J. Simpson
Thomas Moran
[Signature]
Robert E. McFarland
Commissioners