

Decision 84 02 047

FEB 16 1984

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of MELVIN L. LINDSEY and SHARON A. LINDSEY, dba HIGH SIERRA MOBILFONE, a radiotelephone utility, and HIGH SIERRA MOBILFONE, a California corporation, for authority to sell and transfer the business and property of the radiotelephone utility to HIGH SIERRA MOBILFONE, a California corporation, and to issue and sell stock.

ORIGINAL

Application 83-12-43
(Filed December 22, 1983)

O P I N I O N

By this application Melvin L. Lindsey and Sharon A. Lindsey (Lindseys), dba High Sierra Mobilfone (High Sierra), request authority to sell and transfer their public utility business and assets to High Sierra Mobilfone (Mobilfone), a California corporation, for Mobilfone to issue 2,800 shares of capital stock to the Lindseys, and the Lindseys to withdraw from the radiotelephone business.

High Sierra received its operating authority September 14, 1973 by Decision (D.) 81878. Lindseys' acquisition of the business and property of High Sierra was authorized by D.90063 dated March 13, 1979. High Sierra provides two-way mobile telephone, one-way paging, and rural radio service in and about the City of Bishop and adjacent territory of Inyo and Mono Counties.

The Lindseys seek to transfer all of the business assets of High Sierra, subject to its liabilities, in exchange for 2,800 shares of capital stock of Mobilfone, valued at \$10 per share. The business and assets include, but are not limited to, cash on hand, accounts receivable, transmitters, antennas, repeaters and control facilities, mobile and paging equipment, certificate of public convenience and necessity, Federal Communications Commission and U.S. Forest Service

permits and licenses, and miscellaneous tangible and intangible assets. The historical cost less any depreciation of the assets is approximately \$28,000.

The financial statement attached to the application as Exhibit C shows net income of \$6,258.42 for the nine months ending September 30, 1983. Total capital as of September 30, 1983 is shown as \$19,593.31.

Mobilfone is a new California corporation authorized by the California Department of Corporations to issue 10,000 shares of capital stock. Acceptance of the offer of transfer of ownership to Mobilfone has been approved by the Mobilfone's board of directors. On approval of the transfer of ownership, Mobilfone will adopt High Sierra's filed tariffs.

The application states the sale and transfer is in the public interest in that it will be owned, managed, and operated by the same personnel who have successfully owned and operated High Sierra. It further states that the incorporation of the business will enhance the growth and operations of the utility, will enable the utility to more readily obtain needed funds for expansion, will aid in the acquisition of equipment on more reasonable terms, and thus enable the utility to provide better overall service to the public.

Finally, the application states that neither wireline, non-wireline, nor any other person will be adversely affected by the proposed transfer since it will be operated by the same personnel and no changes in existing tariffs are being proposed.

The application appeared in the Commission's Daily Calendar December 28, 1983. No protests to the application have been received.

Findings of Fact

1. Lindseys, dba High Sierra, seek to sell and transfer the business and property to Mobilfone, a new California corporation, in exchange for 2,800 shares of Mobilfone's capital stock.
2. Mobilfone seeks to issue to the Lindseys 2,800 shares of its capital stock in consideration of the transfer of all of the

radiotelephone utility business and assets of the Lindseys, including the certificate of public convenience and necessity.

3. Mobilfone proposes to adopt the filed tariffs of High Sierra.

4. The change in ownership will not affect the radiotelephone public utility operations or result in any change in the service offered to the public.

5. The public will suffer no detriment from the proposed transfer.

6. No protests to the application have been received.

7. A public hearing is not necessary.

Conclusions of Law

1. The proposed transfer will not be adverse to the public interest. The application should be granted.

2. This authorization is not a finding of the value of the rights and properties to be transferred.

O R D E R

IT IS ORDERED that:

1. Melvin L. Lindsey and Sharon A. Lindsey (Lindseys), dba as High Sierra Mobilfone (High Sierra), may sell and transfer, and High Sierra Mobilfone (Mobilfone), a California corporation, may acquire the radiotelephone utility properties referred to in the application.

2. On or after the effective date of this order, and on or before April 30, 1984, Mobilfone may issue 2,800 shares of its capital stock to the Lindseys in consideration of the transfer of their radiotelephone utility business and assets to Mobilfone.

3. Mobilfone shall file with the Commission the report required by General Order 24-B.

4. Within 30 days after the consummation of the transfer authorized, Mobilfone shall notify the Commission, in writing, of that fact and within that period shall file with the Commission a true copy of the bill of sale or other instrument executed to effect the transfer.

5. After the effective date of this order, and not less than five days before the actual transfer, Mobilfone shall file with the Commission a notice of adoption of the presently filed tariffs of the transferors in accordance with the procedure prescribed by General Order 96-A. The effective date of the notice of adoption shall be concurrent with the date of actual transfer.

6. Upon compliance with all of the conditions of this order, the Lindseys shall be relieved of all further radiotelephone public utility obligations pertaining to the operations of the radiotelephone public utility authorized to be transferred.

The authority granted by this order to issue stock will become effective when the issuer pays \$56, the fee set by Public Utilities Code § 1904.1. In all other respects this order becomes effective 30 days from today.

Dated FEB 16 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.
President
PRISCILLA C. GREW
DONALD VIAL
WILLIAM T. BAGLEY
Commissioners

Commissioner Victor Calvo,
being necessarily absent, did
not participate

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Joseph E. Bodovitz, Executive Director

