

Decision 84 09 025

SEP 6 1984

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of }
APOLLO TELECOMMUNICATION SERVICES, a }
California corporation, for a }
Certificate of Public Convenience and }
Necessity to operate as a reseller of }
telecommunications services within }
California. }

Application 84-05-078
(Filed May 16, 1984)

SUPPLEMENTAL OPINION

Decision (D.) 84-07-081 dated July 5, 1984 granted Apollo Telecommunication Services (Apollo) a certificate of public convenience and necessity to operate as a reseller of telephone services offered by communications common carriers providing telecommunications services in California. In its application Apollo requested authorization to issue 10,000 shares of capital stock at \$4.00 cash per share. The authorization to issue shares was inadvertently omitted. ✓

Apollo proposes to issue 10,000 shares at \$4.00 per share as follows: ✓

<u>Name</u>	<u>Shares</u>
Generoso R. Fernando	2,500
Alfredo E. Fernando	2,500
Antonio Balinget	2,500
Generoso P. Fernando	1,250
Carlos D. Fernando	<u>1,250</u>
Total	10,000

Apollo is authorized to issue 10,000 shares. Since it has not yet transacted any business, it has no assets, liabilities, or indebtedness. The proceeds of the sale will be used as initial working capital and other start-up needs. Additional financing will be obtained through capital contributions, open account advances, and/or a loan from the United States Small Business Administration.

Attached to the application as Exhibit D is the financial statement of Generoso R. Fernando, principal organizer and chief executive officer of Apollo. The statement shows a net worth of \$348,000.

Findings of Fact

1. Apollo requests authority to issue 10,000 shares of capital stock at \$4.00 per share.
2. The proceeds from the sale of stock will be used as initial working capital.
3. The proposed security issue is for lawful purposes and the money, property, or labor to be obtained by it are required for these purposes. Proceeds from the security issue may not be charged to operating expenses or income.

Conclusions of Law

1. The application should be granted to the extent stated herein.
2. The proposed security issue is for lawful purposes and the money to be obtained by it is required for these purposes.
3. Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

4. The number of shares outstanding, the total par value of the shares, and the dividends paid do not determine allowable return on plant investment. This authorization is not a finding of the value of the utility's stock or property, nor does it indicate the amounts to be included in ratesetting proceedings.

5. Because of the need for the service, the order should be effective today.

SUPPLEMENTAL ORDER

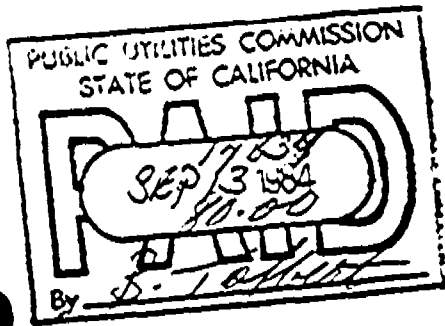
IT IS ORDERED that:

- 1. On or after the effective date of this order, but before November 15, 1984, Apollo Telecommunication Services may issue up to 10,000 shares of common stock with par value of \$4.00 per share. ✓
- 2. The application is granted as set forth above.
- 3. The authority granted by this order to issue stock will become effective when the issuer pays \$80.00, set by PU Code § 1904.1. ✓

This order is effective today.

Dated SEP 6 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.
President
VICTOR CALVO
FRISCIELLA C. GREW
DONALD VIAL
WILLIAM T. BAGLEY
Commissioners



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

[Signature]
Joseph L. Scovitz, Executive Director

Apollo is authorized to issue 1,000,000 shares. Since it has not yet transacted any business, it has no assets, liabilities, or indebtedness. The proceeds of the sale will be used as initial working capital and other start-up needs. Additional financing will be obtained through capital contributions, open account advances, and/or a loan from the United States Small Business Administration.

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