ORIGINAL

Decision No.

## 51139

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of ) THE PACIFIC TELEPHONE AND TELEGRAPH ) COMPANY, a corporation, for authority) to sell to Los Angeles Airways Incor-) porated, Los Angeles, California, ) certain private mobile radiotelephone) system equipment. )

Application No. 42773

## OPINION AND ORDER

The Pacific Telephone and Telegraph Company filed this application on October 20, 1960, seeking authority pursuant to Section 851 of the Public Utilities Code to sell certain private mobile radiotelephone equipment to Los Angeles Airways, Incorporated (Los Angeles Airways).

Applicant is furnishing equipment for a private mobile radiotelephone system for Aeronautical Radio, Inc. (Aeronautical Radio), in the vicinity of Mount Wilson and Los Angeles, California, part of which is furnished under contracts dated November 8, 1954, as modified, and part under a verbal contract. Copies of said contracts and a memorandum of the verbal contract have previously been filed with this Commission.

According to the application, Aeronautical Radio and applicant have agreed that applicant's private mobile radiotelephone service will be discontinued on or before January 24, 1961. The application states that, since Aeronautical Radio desires to obtain similar service from Los Angeles Airways after said discontinuance, Aeronautical Radio has requested that the private mobile radiotelephone system equipment which it is presently using be sold to Los Angeles Airways.

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Applicant represents that the book cost of the equipment is approximately \$1,650; that Los Angeles Airways has agreed to pay and it has agreed to accept the sum of \$1,270 for the equipment; and that consummation of this transaction will not impair its operations or its ability to perform its duties to the public.

For the reasons stated in Decision No. 59031, dated September 22, 1959, in Application No. 41211, the order herein will provide that applicant shall submit a cost determination showing any unrecovered costs related to this sale of private mobile communications equipment.

The Commission has considered this matter and is of the opinion and finds that consummation of this transaction will not impair applicant's operations or its ability to perform its duties to the public. The Commission further finds that the granting of the application subject to the conditions set forth herein is not adverse to the public interest and that a public hearing is not necessary; therefore,

IT IS HEREBY ORDERED that after the effective date of this order and on or before December 31, 1960, applicant is authorized to sell to Los Angeles Airways, Incorporated, for \$1,270 the private mobile communications equipment described in Exhibit A attached to the application, subject to the following conditions:

1. Applicant shall prepare and submit to this Commission a cost determination showing, with supporting detail, any unrecovered costs related to this sale of equipment, computed as described in Decision No. 59031 of this Commission.

2. Applicant shall account for the sale of operative public utility property herein authorized in accordance with the "Instructions for Telephone Plant Accounts," Section 31.2-25, subsection (g) as set forth in the Uniform System of Accounts for Class A and Class B Telephone Companies prescribed by this Commission effective

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January 1, 1958. Applicant shall furnish to this Commission a copy of the journal entry or entries used to record this sale on its books of account.

3. Within ninety days after the authority herein granted is exercised, applicant shall notify this Commission in writing of the date of the completion of the sale of property herein authorized and of its compliance with the conditions hereof.

The action taken herein shall not be construed to be a finding of the value of the property herein authorized to be sold, nor shall it be construed to constitute either approval or disapproval of any aspect of the operations of Los Angeles Airways or its private mobile service arrangements with Aeronautical Radio.

This order does not relieve applicant of any obligation that it may have under its filed tariffs to provide private mobile radio service to Aeronautical Radio.

The effective date of this order shall be twenty days after the date hereof.

Dated at \_\_\_\_\_ San Francisco \_\_\_\_\_, California, this \_\_\_\_\_3 NOVEMBER \_\_\_\_, 1960. day of 20

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Commissioners