

**ORIGINAL**Decision No. 62406

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE AND  
 TELEGRAPH COMPANY, a corporation, for  
 authority to sell to the State of  
 California certain telephone plant at  
 San Luis Obispo, San Luis Obispo County,  
 California.

Application No. 43590

OPINION AND ORDERApplicant's Request

By this application, filed on July 10, 1961, The Pacific Telephone and Telegraph Company seeks authorization under Section 851 of the Public Utilities Code to sell certain telephone plant located in San Luis Obispo County presently dedicated to public use, on or before August 31, 1961, to the State of California pursuant to the terms of the Purchase and Sales Agreement, marked Exhibit A and attached to its application. No protests have been filed with the Commission as to the granting of this application.

Applicant's Status

Applicant is a corporation organized and existing under and by virtue of the laws of the State of California, and owns and operates a general telephone and telegraph business in the State of California and elsewhere. It now is furnishing private branch exchange telephone service to the State of California Men's Colony at Los Padres, near the City of San Luis Obispo, California. The state is building a new minimum security prison at this location and proposes to install an extensive state-owned private dial inter-community system with certain security features not offered under applicant's existing tariffs.

Applicant's Position

Applicant declares that the state will require a wire distribution system for its own intercommunicating system and has asked to purchase certain of its existing plant rather than duplicate the facilities. When the new buildings are completed, the state desires that applicant provide only a small PBX system which will not be interconnected with the state-owned system. Applicant avers that the sale of the plant in question will not impair its ability to perform its duties to the public.

Purchase and Sales Agreement

Applicant has made an inventory and appraisal of its outside distributing plant and has entered into negotiation to sell said facilities to the state. The state has agreed to pay and applicant has agreed to accept \$3,716 for said facilities, as evidenced by the conformed copy of Purchase and Sales Agreement attached to the application as Exhibit A. Applicant's inventory of the facilities which it proposes to sell to the state is attached to Exhibit A. Applicant estimates that the book cost of these facilities is about \$5,900.

Findings and Conclusions

The Commission has considered this matter and finds that the proposed sale of distribution plant described in this application and attached Exhibit A will not be adverse to the public interest; that it should be authorized; and that a public hearing is not necessary; therefore,

IT IS ORDERED as follows:

1. The Pacific Telephone and Telegraph Company, on and after the effective date hereof and on or before August 31, 1961, may sell

and transfer the distribution plant referred to in this application.

2. If the authority herein granted is exercised, The Pacific Telephone and Telegraph Company shall, within sixty days thereafter, notify this Commission in writing of the date of such completion of plant transfer herein authorized, of its compliance with the conditions hereof, and summarize all of the amounts of transactions by accounts resulting from this sale and transfer.

3. The action taken herein shall not be construed to be a finding of the value of the plant herein authorized to be sold.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 15<sup>th</sup> day of August, 1961.

*Everett Rose*  
 President

*Ed. J. Mitchell*

*E. J. Fox*

*Fredrick B. Halbluff*  
 Commissioner