

ORIGINALDecision No. 63460

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE)
 AND TELEGRAPH COMPANY, a corporation,)
 and CALIFORNIA INTERSTATE TELEPHONE)
 COMPANY, a corporation, for authority)
 for THE PACIFIC TELEPHONE AND TELEGRAPH)
 COMPANY to sell certain toll station)
 facilities to CALIFORNIA INTERSTATE)
 TELEPHONE COMPANY and for authority to)
 change certain exchange boundaries of)
 applicants' .)

Application No. 44098

OPINION AND ORDERApplicants' Request

The Pacific Telephone and Telegraph Company (hereinafter referred to as seller) and California Interstate Telephone Company (hereinafter referred to as buyer), by the above-entitled application filed January 12, 1962, request that the Commission authorize (1) seller to sell that portion of seller's telephone facilities and equipment now used by seller in providing toll station service at Miracle Hot Springs, California, to buyer for the sum of \$2,874, as provided by the Purchase and Sales Agreement designated as Exhibit A to the application; (2) seller to revise its Bakersfield exchange to exclude a portion of that exchange in the vicinity of Miracle Hot Springs shown on the map attached to the application and marked Exhibit B; (3) buyer to expand its Kernville exchange to include the above-mentioned area proposed to be excluded from the Bakersfield exchange as well as additional unfiled territory both north and south of said area as shown on buyer's revised Kernville exchange map attached to the application and marked Exhibit C.

Seller is a California corporation and owns and operates a general telephone and telegraph business in this State. Buyer is a California corporation having its principal place of business in the County of San Bernardino. It owns and operates a telephone system in various cities and areas in the Counties of Alpine, Inyo, Kern, Los Angeles, Madera, Mono, Tulare and San Bernardino, and in portions of the State of Nevada.

Proposed Area Transfer

The area proposed for transfer lies approximately 30 miles northeast of Bakersfield, is approximately five square miles in area and is a thumb-like projection approximately one mile wide and four and one-half miles long, extending from the Bakersfield exchange northeasterly along Highway 178 to Miracle Hot Springs.

The total area to be taken into the Kernville exchange will be approximately 16 square miles in area and will include Sections 7, 8, 9, 10, 15, 16, 17, 18, 19, 20, 21, 22, 27, 28, 29 and 30 of T27S, R32E, M.D.B. & M.

Proposed Property Transfer

Pacific estimates the book cost of the toll facilities, including a four-mile spur extending from Pacific's Bakersfield-Kernville toll lead, to be \$1,650. An inventory and appraisal of the toll lead and other toll facilities determined that the structural value of said facilities was \$2,874. Buyer has agreed to pay and seller has agreed to accept said \$2,874 for said facilities.

Subscribers

Two subscribers now being served by seller on a toll station basis will be provided buyer's Kernville exchange service, both parties having applied for such service. Applicable rates will be those in effect in buyer's Kernville exchange.

Findings and Conclusions

The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

The Commission has given consideration to this matter and finds and concludes that the proposed transfer of operating utility property will not be adverse to the public interest, that a public hearing is not necessary, and that the application should be granted subject to the conditions contained herein; therefore,

IT IS ORDERED that:

1. The Pacific Telephone and Telegraph Company may, on or after the effective date hereof and on or before July 30, 1962, sell and transfer the herein described telephone facilities and equipment to California Interstate Telephone Company substantially in accordance with the Purchase and Sales Agreement attached to the application as Exhibit A.

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 the property transfer herein authorized and of its compliance with the conditions hereof.

3. California Interstate Telephone Company shall, within sixty days after completion of the transfer, file with this Commission, in accordance with the procedures prescribed by General Order No. 96-A, tariff schedules acceptable to this Commission, including service area maps, to provide for the inclusion of the area herein being transferred within the Kernville exchange and to make such revised tariff sheets effective upon not less than five days' notice to the Commission and to the public.

4. On or before the date of actual transfer The Pacific Telephone and Telegraph Company shall refund all customers' deposits and advances which are subject to refund. Any such unrefunded deposits or advances shall be transferred to and become the obligation for refund of California Interstate Telephone Company.

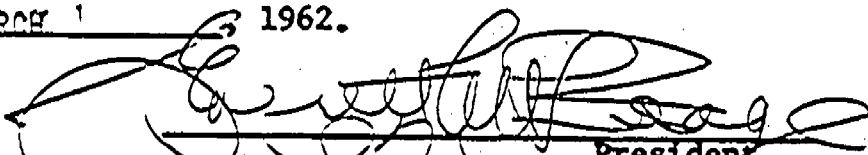
5. On or before the date of transfer of the actual physical properties herein authorized, The Pacific Telephone and Telegraph Company shall transfer and deliver to California Interstate Telephone Company, and the latter shall receive and preserve, all necessary records, memoranda and papers pertaining to the installation and operation of such properties.

6. Upon consummation of the transfer herein authorized, California Interstate Telephone Company shall account for said transaction in a manner consistent with Section 31.2-21 (a) and (b) of the Uniform System of Accounts for Class A & B Telephone Companies.


7. Upon completion of the property transfer herein authorized and upon compliance with the conditions of this order, The Pacific Telephone and Telegraph Company shall stand relieved of its public utility obligations with respect to the area herein excluded from its Bakersfield exchange.

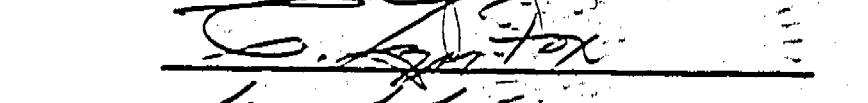
The effective date of this order shall be twenty days after the date hereof.


Dated at San Francisco, California, this 2nd day of MARCH 1962.

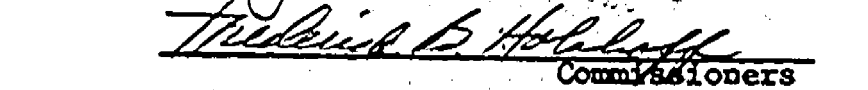


 President









 Commissioners