

Decision No. 68001

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE)
AND TELEGRAPH COMPANY, a corporation,)
for authority to sell certain toll)
telephone facilities located in the)
Bray-Tennant area to DORRIS TELEPHONE)
COMPANY.)

Application No. 46933

OPINION AND ORDER

The Pacific Telephone and Telegraph Company, ^{1/} a corporation, by application filed August 28, 1964, seeks authorization pursuant to Section 851 of the Public Utilities Code to sell for \$9,912, plus sales tax, to Dorris Telephone Company ^{2/} certain toll telephone facilities, comprising a 7.25 mile open wire line, pursuant to the terms of the Purchase and Sales Agreement attached to the application.

Applicant asserts that it presently owns a 7.25 mile open wire spur line which extends from applicant's Weed-Klamath Falls toll lead to Tennant, California. Toll station service to the Bray toll station at Bray, California, and to Tennant toll stations numbers 1, 2, 3, and 5 in Tennant, California, is furnished in part by the spur line.

Pursuant to Advice Letter No. 23, dated June 26, 1963, purchaser was granted authority, by Resolution No. T-5550, dated September 22, 1964, to extend the Macdoel exchange boundaries to include the communities of Bray and Tennant for the purpose of

^{1/} Hereinafter called applicant.
^{2/} Hereinafter called purchaser.

offering exchange service therein. Applicant's toll station subscribers in Bray and Tennant have expressed their willingness to be served from purchaser's Macdoel exchange. It was stated in Advice Letter No. 23 that 20 new subscribers were anticipated the first of year 1964 in the 83 square mile area being added.

Applicant states that it has made an inventory and appraisal as of April 1, 1964, of the property it proposes to sell and that the structural value of said property was \$15,569. The original book cost of the facilities is \$21,280, the estimated depreciation reserve is \$9,498 and the estimated net book cost is \$11,782.

Purchaser has agreed to pay and applicant has agreed to accept \$9,912, plus applicable sales tax, for said facilities as evidenced by the Purchase and Sales Agreement and the proposed Bill of Sale attached to the application.

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

Applicant asserts that the consummation of the sale will not impair its ability to perform its duties to the public.

Findings and Conclusions

The Commission having considered the above-entitled application finds that the proposed transfer 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 HEREBY ORDERED that:

1. Within one hundred twenty days after the effective date of this order The Pacific Telephone and Telegraph Company is

authorized to sell and transfer the operating public utility property, listed in the proposed Bill of Sale attached to the application, to Dorris Telephone Company, substantially in accordance with the terms and conditions contained in the document entitled "Purchase and Sales Agreement" attached to the application as Exhibit A.

2. On or before the date of actual transfer of property, The Pacific Telephone and Telegraph Company shall refund all subscribers' deposits and all advances for construction subject to refund thereon. Any such unrefunded deposits and advances shall be transferred to and become the obligation for refund of Dorris Telephone Company.

3. If the authority herein granted is exercised, The Pacific Telephone and Telegraph Company and Dorris Telephone Company shall, within thirty days thereafter, each notify this Commission in writing of the date of the completion of the property transfer herein authorized, and of its compliance with the conditions hereof, and shall each file a copy of each journal entry used to record the sale or purchase on its books.

4. On or before the date of actual transfer of the physical properties herein authorized, The Pacific Telephone and Telegraph Company shall transfer and deliver to Dorris Telephone Company, and the latter shall receive and preserve, all records, memoranda and papers pertaining to the construction and operation of the public utility telephone properties herein authorized to be transferred.

5. Upon transfer of the property, seller is relieved of any further public utility responsibilities in connection with the transferred property.

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

Dated at San Francisco, California, this 13th day of OCTOBER, 1964.

Frederic B. Hallock
President
John E. Mitchell
Robert W. Long
William V. Bennett

Commissioner George G. Grover, being necessarily absent, did not participate in the disposition of this proceeding.