

ORIGINAL

Decision No. 82333

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
cable and associated equipment between
the Manteca and Ripon central offices
to THE CONTINENTAL TELEPHONE COMPANY
OF CALIFORNIA.

Application No. 54462
(Filed November 21, 1973)

OPINION AND ORDER

The Pacific Telephone and Telegraph Company (Pacific) requests authorization pursuant to Section 851 of the Public Utilities Code of the State of California to sell to Continental Telephone Company of California (Continental) certain toll cable, identified as the Manteca-Ripon "A" cable, and associated equipment between the Manteca and Ripon central offices of Continental pursuant to terms of the Purchase and Sales Agreement marked Exhibit A. Supporting structures, poles and conduit are not part of this sale as the Oakland-Modesto "A" cable traverses this area also. Rights-of-way for the Manteca-Ripon "A" cable are on the Southern Pacific Railroad right-of-way and purchaser has been informed they are not transferable.

The agreed consideration is \$74,800, plus applicable sales tax, for said plant and equipment. The application states that the estimated original book cost of said plant is \$85,606, the estimated depreciation reserve is \$10,166, and the estimated net book cost is \$75,440. Property taxes are to be prorated as of the date of sale.

Pacific states this to be the sale of operating plant without traffic.

Pacific alleges that Continental presently uses this cable for exchange operating services for the Ripon exchange under an agreement, dated November 4, 1966, and that the consummation of the sale will not impair seller's ability to serve the public. This agreement would be terminated after completion of the sale. Two Underground Duct Space Licenses, dated June 24, 1968, covering Pacific's use of Continental's underground conduit system will also terminate on sale.

The Purchase and Sales Agreement provides that the sale shall be consummated on a date not more than thirty (30) days after the effective date of this order of the Public Utilities Commission of the State of California.

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

The Commission finds that the proposed sale would not be adverse to the public interest. A public hearing is not necessary.

IT IS ORDERED that:-

1. The Pacific Telephone and Telegraph Company is authorized to sell and convey to Continental Telephone Company of California the telephone facilities described in the Bill of Sale attached to the application as Exhibit B and to consummate such transaction in accordance with the terms of the Purchase and Sales Agreement attached to the application as Exhibit A.

2. The Pacific Telephone and Telegraph Company shall, upon consummation of this sale, transfer to Continental Telephone Company of California, its pertinent records, memoranda, and documents pertaining to the property sold.

3. Seller shall account for the sale of the telephone facilities in accordance with the provisions of Section 31.2-25(g) and buyer shall account for the purchase in accordance with the provisions of Section 31.2-21 of Part 31, Uniform System of Accounts for Class A and Class B Telephone Companies, and, within 60 days after the consummation of the transfer, each shall file a copy of each journal entry used to record the sale or purchase on its books.

4. If the authorization herein granted is exercised, Continental Telephone Company of California shall, within 30 days thereafter, notify this Commission in writing of the date of such completion of the property transfer, and shall file a true copy of the bill of sale or other instrument of transfer.

5. The authority granted herein shall expire one year after the effective date of this order. In the event that applicant does not consummate the transfer of the property under the terms of the Purchase and Sales Agreement attached to the applicant as Exhibit A, The Pacific Telephone and Telegraph Company shall so notify this Commission in writing.

6. Upon transfer of the property, The Pacific Telephone and Telegraph Company 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 15th day of JANUARY, 1974.

Vernon L. Lutz
President
William J. Lutz
William J. Lutz
William J. Lutz
Commissioners