

Decision No. 84061

ORIGINAL

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 an order
authorizing it to sell certain outside
toll facilities and associated equip-
ment located in Lassen and Modoc
Counties to CITIZENS UTILITIES COMPANY
OF CALIFORNIA.

Application No. 55386
(Filed December 16, 1974)

O P I N I O N

The Pacific Telephone and Telegraph Company (Pacific) by the above-entitled application has requested authorization under Section 851 of the Public Utilities Code to sell certain outside toll facilities and associated equipment to Citizens Utilities Company of California (Citizens) in accordance with the terms of the Purchase and Sales Agreement attached to the application as Exhibit A.

Pacific now provides service for 14 toll stations located in unassigned territory in Lassen and Modoc Counties, California, from the Reno, Nevada toll board, Bell of Nevada. Pacific and Citizens have proposed that Pacific will discontinue its operation of these 14 toll stations and that Citizens will assume such operation using its Susanville, California toll board. There will be no increase in charges for use of the toll stations as a result of this transfer. Citizens presently leases three circuits from Pacific on the facilities proposed for sale. These leases will terminate on sale.

The 14 toll stations and facilities consist of two open-wire leads comprising 5,535 poles, 4,760 feet of 140 copper wire, 10,806,140 feet of 104 and 128 copper steel wire, and 7,430 feet of "C" rural wire.

Pacific has determined that the structural value to Citizens is \$80,000. Citizens has agreed to pay and Pacific has agreed to accept \$80,000, plus applicable taxes, for the property.

Citizens will be in a better position to serve the toll stations and facilities as its serving location will be Susanville. Pacific's present serving location is Redding from which maintenance trips are lengthy and, in winter, hazardous.

The Purchase and Sales Agreement provides that the sale shall be completed on a date not more than sixty days after the effective date of the 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 will be in the public interest; that a public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. The Pacific Telephone and Telegraph Company (Pacific) is authorized to sell and convey to Citizens Utilities Company of California (Citizens) the telephone facilities described in the Bill of Sale attached to the application as Exhibit B and to complete such transaction in accordance with the terms of the Purchase and Sales Agreement attached to the application as Exhibit A.
2. Pacific shall, upon completion of this sale, transfer to Citizens its pertinent records, memoranda, and documents pertaining to the property sold.
3. Pacific shall account for the sale of the telephone facilities in accordance with the provisions of Section 31.2-25(g) and Citizens 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 sixty days after the completion 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, Citizens shall, within thirty 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 the transfer of the property is not completed, Pacific shall so notify this Commission in writing.

6. Upon transfer of the property, Pacific 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 11th
day of FEBRUARY, 1975.

Veronica L. Johnson
President
William J. Quinlan
Leonard Ross
Commissioners