

Decision No. 85809

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 repeaters
and associated equipment, outside plant,
land, roads and right-of-way located in
Riverside County to GENERAL TELEPHONE
COMPANY OF CALIFORNIA.

Application No. 56327
(Filed March 11, 1976)

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 carrier repeaters and associated equipment, outside plant, buildings, land, roads and right-of-way to General Telephone Company of California in accordance with the terms of the Purchase and Sales Agreement attached to the application as Exhibit A.

The plant which Pacific proposes to sell, located between General's Palm Springs - East Central Office and Whitewater, consists of two aerial cables between these offices and associated N Carrier repeater equipment located at Palm Springs, Chino Canyon and Palm Springs - East Central Office.

The plant located between Pacific's Riverside Exchange boundary and General's Edgemont, Perris and Hemet Central Offices consists of various cables between these locations. In addition to N Carrier repeaters located at Arnold Heights, Val Verde, Perris and Hemet, it also includes Pacific's land, building and carrier repeater equipment at Edgemont and Pacific's carrier repeater equipment located in General's Edgemont, Perris and Hemet Central Offices.

The radio facility plant between San Bernardino and Palm Springs consists of Pacific's buildings, carrier repeater equipment and access road located at Whitewater Mountain radio repeater station and Pacific's carrier repeater equipment located in General's Palm Springs - East Central Office.

The plant proposed to be sold is itemized in the Bill of Sale attached to the application as Exhibit B.

All of the plant Pacific proposes to sell to General carries interexchange toll traffic originating and terminating in General's operating territory. Pacific's remaining plant which passes through this area to serve its own exchanges is not part of this proposed sale.

Plant maintenance will be made more efficient by this sale as all of the plant is in General's operating territory and Pacific must dispatch maintenance personnel from San Bernardino or Riverside.

Pacific has determined that the structural value to General is \$2,504,726. General has agreed to pay and Pacific has agreed to accept \$2,504,726, plus applicable taxes, for the property.

The Purchase and Sales Agreement provides that the effective date of sale shall be August 31, 1976, unless the parties mutually agree upon an earlier date. The Purchase and Sales Agreement further provides that the effective date shall be extended for such time as may reasonably be necessary to secure any and all approvals required from the California Public Utilities Commission and the Federal Communications Commission.

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

The Commission finds that the proposed sale will be in the public interest; and 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 General Telephone Company of California (General) 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 General its pertinent records, memoranda, and documents pertaining to the property sold.

3. Pacific and General shall account for the sale of the telephone facilities in accordance with the provisions of the 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.

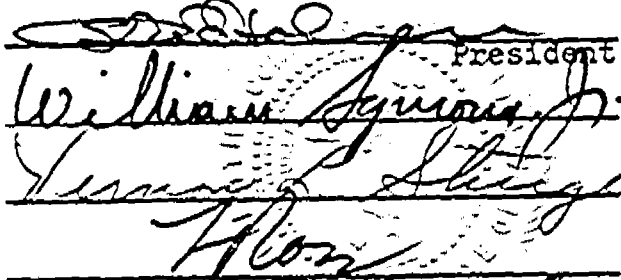
4. If the authorization herein granted is exercised, General shall, within thirty days thereafter, notify this Commission in writing of the date of such completion of the property transfer, and shall file a true copy of the bill of sale or other instrument of transfer.

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 MAY, 1976.


William J. Quinn, Jr. President
James P. Stegman
Flora
Robert B. Baker Commissioners