

OPINION

This is an application in which Cook Telecom, Inc. (Cook) seeks authority to sell and transfer certain of its assets including operating rights to Communication Transmitting Services, a California limited partnership (Services).

Notice of the filing of the application appeared in the Commission's Daily Calendar on October 5, 1987. The parties modified their agreement on February 16, 1988, which is reflected in the record. There are no protests.

The Commission makes the following findings and conclusion.

Pindings of Fact

Barbara Counties.

authority and operations in Ventie, Los Angeles, San Bernardino, Operige, Riverside, San Diego, and Santa

1. A public hearing is not necessary in this matter.

2. Cook (U-2065-C) is a California corporation. It operates as a radiotelephone utility pursuant to certificates of public convenience and necessity granted by the Commission. Under Decision (D.) 86-11-067 dated November 14, 1986 in Application (A.) 86-08-016, Cook provides one-way radiotelephone service in the Counties of Ventura, Los Angeles, San Bernardino, Orange, Riverside, San Diego, and Santa Barbara Counties. It operates with the call letters KNKC 380 and a base frequency of 43.20 Mhz, and 22

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base station locations. Cook also operates in Monterey, San Benito, Santa Clara and Santa Cruz Counties, California under authority granted in D.36-05-015 in A.86-02-036.

3. Services is a California limited partnership. It operates as a radiotelephone utility and as a dealer for Cook. Both of its general partners have had many years of experience in the operation of radiotelephone services. Burt E. McCormick (McCormick) has had over 16 years of experience in the radio communications industry in sales and management. Roy A. Hull (Hull) has had over 30 years of experience in the radio communications industry, including 26 years as vice president of Orange County Radiotelephone Services, Inc. His responsibilities have included radio system design and general office equipment. Both McCormick and Hull will devote full time to the operations of Services.

5. As of December 31, 1986, Services had \$336,608 of net operating property and equipment. It had gross revenues of \$38,330 for the 12 months ending December 31, 1986.

6. Services desires to acquire operating authority in the Southern California area where it has operated as a dealer. Services has been an established agent for eight years. The proposed transfer will enable Services to become a facilities based carrier, with control over system development.

7. Services has the ability, including financial ability, to acquire the designated operating authority and properties of Cook and continue its operations.

8. The proposed sale and transfer by Cook to Services of the the designated operating authority and properties is not adverse to the public interest.

9. Services proposes to adopt the rates, rules, and regulations presently governing the operations of Cook.

10. Cook and Services are telephone corporations which are nondominant telecommunications carriers.

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11. Ordering Paragraph 1 of D.85-01-008 in Application 85-03-092 dated January 3, 1985, provides that:

> "1. On and after the effective date of this order, public utility resellers of telecommunications services are exempted from the requirements of PU Code §§ 816-830."

12. Ordering Paragraph 7 of D.87-04-017, dated April 8, 1987, provides in part that:

"... in noncontroversial applications for authority to transfer assets or control under PU Code §§ 851-855, such authority may be granted by the Commission's Executive Director as specified in D.86-08-057."

13. Since the ensuing order primarily affects the parties to this application, it should be made effective on the date of issuance.

Conclusion of Law

The application should be granted.

This authorization is not a finding of the value of the rights and properties to be transferred.

## ORDER

## IT IS ORDERED that:

1. On or after the effective date of this order Cook Telecom, Inc. (Cook) may sell and transfer to Communication Transmitting Services, a California limited partnership (Services) the certificate of public convenience and necessity granted in D.86-11-067, dated November 14, 1986 and the operating properties set forth in the application in accordance with the terms of the application.

2. Within 10 days after transfer, Cook shall write the Commission stating the date of transfer and the date when Services A.87-09-045 ALJ/DBJ/ra

began operating the system. A copy of the transfer documents shall be attached.

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3. Services shall either file a statement adopting Cook's tariffs or refile those tariffs under its own name as prescribed in General Order Series 96. Rates shall not be increased unless authorized by this Commission.

4. Within 90 days after actual transfer, Services shall file, in proper form, an annual report on Cook's operations from the first day of the current year through date of transfer.

5. When this order has been complied with, Cook shall have no further public utility obligations in connection with the operating authority and facilities transferred.

6. The corporate identification number assigned to Services is U-2100 which should be included in the caption of all original filings with this Commission, and in the titles of other pleadings filed in existing cases.

7. The authority granted in Ordering Paragraph 1 shall expire unless it is exercised before December 31, 1988.

This order is effective today.

Dated \_\_\_\_\_\_ APR 27 1988 \_\_\_\_\_, at San Francisco, California.

I CERTIFY THAT THIS DECISION. WAS APPROVED BY THE ASOVE COMMISSIONERS, TODAY.

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Victor Weisser Executive Director