

Decision 88 10 002 OCT 04 1988

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Western Telecommuni-)
cations, Inc. (U-5029-C) to transfer)
and Northwest Network Communications,)
Inc. to acquire certain assets and)
operating authority of Western)
Telecommunications, Inc.)

OCT 5 1988
Application 88-06-028
(Filed June 20, 1988)

O P I N I O N

This is an application in which Western Telecommunications, Inc. (Western) seeks authority to transfer its operating authority and certain assets to Northwest Network Communications, Inc. (Northwest).

Notice of the filing of the application appeared in the Commission Daily Calendar on June 22, 1988. There are no protests.

The Commission makes the following findings and conclusion.

Findings of Fact

1. A public hearing is not necessary in this matter.
2. Western (U-5029-C) is a Nevada corporation qualified to do business in California. It received authority to provide intrastate long distance services in Decision (D.) 88-03-068.
3. Northwest is a Nevada corporation qualified to do business in California. It is a wholly owned subsidiary of Western.
4. In D.88-03-068 Western received authority to acquire the assets and operating authority of Northwest Network, Inc., a Redding based telecommunications company which provided intrastate long distance services (Redding Company). The Redding Company had provided service pursuant to authority granted in D.84-03-058.
5. Western was involved in a recent corporate restructuring. It now seeks to transfer all of its Redding Company assets,

including the California operating authority, to Northwest, its wholly owned subsidiary. Under the restructuring program, Western will become a holding company and, as such, will divest itself of direct ownership of the Redding Company assets. Western owns and will continue to own 100% of Northwest's outstanding shares and Western's officers will serve as Northwest's officers. Northwest proposes to effectuate the transfer by purchasing all of Western's Redding Company assets.

6. The transfer of Western's Redding Company assets to Northwest will not change the general nature of service to the Redding Company's subscribers. Northwest, as a wholly owned subsidiary of Western, has the same extensive experience and management expertise with respect to telecommunications services as Western. Northwest will continue to employ the name "Northwest Network, Inc."

7. The proposed sale and transfer of the Redding Company's operating authority and assets from Western to Northwest is not adverse to the public interest.

8. Western and Northwest are telephone corporations which are nondominant telecommunications carriers.

9. This is a noncontroversial application.

10. 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."

11. 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, Western Telecommunications, Inc. (Western) may sell and transfer to Northwest Network Communications, Inc. (Northwest) the operating authority and assets described in the application in accordance with the terms of the application.
2. Within 10 days after transfer, Western shall write the Commission stating the date of transfer and the date when Northwest began operating the system. A copy of the transfer documents shall be attached.
3. Northwest shall either file a statement adopting Western'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, Northwest shall file, in proper form, an annual report on Western's operations from the first day of the current year through date of transfer.
5. When this order has been complied with, Western shall have no further public utility obligations in connection with the operating authority and assets transferred.
6. The corporate identification number which was assigned to Western (U-5029-C) should be retained by Northwest and 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, 1989.

This order is effective today.

Dated OCT 04 1988, at San Francisco, California.



VICTOR WEISSER
Executive Director

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



Victor Weisser, Executive Director