

Decision 90 12 015 DEC 14 1990

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
Opus Telecom Corporations to )  
acquire and of Contel Corporation )  
to transfer all of the outstanding )  
stock of Contel Office )  
Communications, Inc. )

**ORIGINAL**  
Application 90-10-053  
(Filed October 22, 1990)

O P I N I O N

This decision grants the joint application of Opus Telecom Corporation (Opus) and Contel Corporation (Contel) for transfer of Contel's wholly owned subsidiary, Contel Office Communications, Inc. (COC), to Opus. The application was filed on October 22, 1990.

Contel is a Delaware corporation providing telecommunications services in California. COC is a wholly-owned subsidiary of Contel. COC is certificated in California as an intrastate, interLATA reseller of long distance telecommunications services, and provides shared tenant services in the Los Angeles and San Francisco areas. Opus is a privately held telecommunications company primarily serving the southeastern United States.

Opus proposes to acquire all of the issued and outstanding stock of COC from Contel for cash. Contel and Opus, according to the application, intended to conclude the negotiations for the sale on or before October 12, 1990, and to consummate the sale as soon as possible after receiving regulatory approvals.

Because the proposed transfer involves only the purchase of existing property, and the application does not propose any new construction or relocation of COC's facilities, it can be seen with certainty that the proposed transfer will not have an adverse impact on the environment.

Additionally, the application does not propose changes to the territories, tariffs, or services provided for in COC's California authority. The Commission Advisory and Compliance Division reviewed the financial records of Opus and determined that Opus has the financial capability to manage COC's California operations.

General Telephone of California (GTEC) and Contel filed Application (A.) 90-09-043, requesting authority to merge their intrastate operations. A letter to the Commission from GTEC's counsel dated November 14, 1990, confirms that GTEC is aware of the instant application and that the subject transfer is permitted by the agreement between GTEC and Contel which is the subject of A.90-09-043.

D.86-08-057, modified by D.87-10-035, delegated authority to the Executive Director to grant noncontroversial applications by nondominant carriers for authority to transfer assets or control under Public Utilities (PU) Code §§ 851-855. This application has not been protested. COC is a nondominant telecommunications carrier. Accordingly, the application should be granted and Executive Director is within his authority to grant it.

Findings of Fact

1. COC is a nondominant telecommunications carrier providing intrastate, interLATA services and shared tenant services in California. COC is a wholly-owned subsidiary of Contel.
2. Opus wishes to purchase COC from Contel.
3. Opus has the financial capability and expertise to manage COC's California operations.
4. No protest to this application has been filed.
5. COC will continue to use Corporate Identification No. U-5091-C in all formal matters filed before this Commission.

Conclusions of Law

1. D.86-08-057, modified by D.87-10-035, delegated authority to the Executive Director to grant applications filed by

nondominant telecommunications carriers for transfers of assets or control under PU Code §§ 851-855.

2. Because this application was filed by a nondominant carrier and is noncontroversial, it should be granted.

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

O R D E R

IT IS ORDERED that:

1. On or after the effective date of this order, Contel Corporation (Contel) may transfer to Opus Telecom Corporation (Opus) operating control of Contel Office Communications, Inc. (COC) as described in this application, and in accordance with the terms of the application.

2. The authority granted in Ordering Paragraph 1 shall be conditioned upon Contel and Opus demonstrating to the Commission Advisory and Compliance Division Director in writing that Federal Communications Commission authority for the transfer, if required, has been granted.

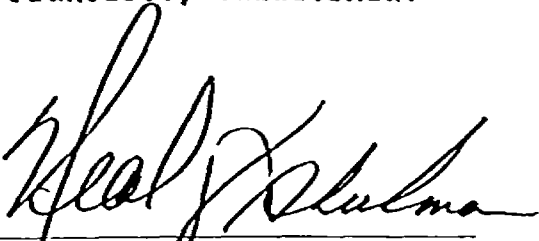
3. Contel and Opus shall inform the Commission Advisory and Compliance Division Director in writing of the actual transfer date as authorized herein, within 5 days after the transfer is completed. A copy of the transfer documents shall be attached.

4. COC's Corporate Identification No. U-5091-C shall continue to be included in the caption of all original filings with the Commission and in the titles of other pleadings filed in existing cases by Opus under its ownership.

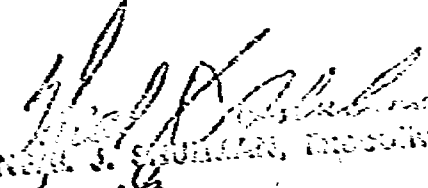
5. The authority granted in Ordering Paragraph 1 will expire if not exercised within 12 months after the effective date of this order.

This order is effective today.

Dated DEC 14 1990, at San Francisco, California.

  
NEAL J. SHULMAN  
Executive Director

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

  
NEAL J. SHULMAN, Executive Director  
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