

Decision No. 86818

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 authority to sell certain  
outside plant facilities in  
Weaverville to CONTINENTAL  
TELEPHONE COMPANY OF CALIFORNIA.

Application No. 56891  
(Filed November 24, 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 outside plant to Continental Telephone Company of California (Continental), in accordance with the Purchase and Sales Agreement attached to the application as Exhibit 1.

Continental is replacing its Weaverville central office with a new electronic office scheduled for cutover in March, 1977. A new central office building is being constructed at a new location, one-half mile from the existing office. The plant that Pacific proposes to sell consists of that portion of the Redding-Weaverville toll cable within Continental's Weaverville Exchange to be used to serve the new central office.

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

The plant proposed for sale is itemized in the Bill of Sale attached to the application as Exhibit A.

The proposed sale is in conformance with an intercompany agreement whereby each company will assume ownership of facilities within its operating area.

Pacific has determined that the structural value to Continental is \$26,840. Continental has agreed to pay and Pacific has agreed to accept \$26,840 plus applicable taxes for the property. The book cost is \$23,936. The depreciation reserve is \$7,052 with net book cost of \$16,884.

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 Continental Telephone Company of California (Continental) the telephone facilities described in the Bill of Sale attached to the application as Exhibit A and to complete such transaction in accordance with the terms of the Purchase and Sales Agreement attached to the application as Exhibit 1.
2. Pacific shall, upon completion of this sale, transfer to Continental its pertinent records, memoranda, and documents pertaining to the property sold.
3. Pacific and Continental 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, Continental 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 5th day of JANUARY, 1977.

Robert B. Burt  
President  
William J. Lyons  
James L. Stegman  
W. C. ...

Commissioners