

Decision No. 86819

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
toll facilities and private line
teletypewriter equipment in Blythe
to CONTINENTAL TELEPHONE COMPANY
OF CALIFORNIA.

Application No. 56892
(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 toll facilities and private line teletypewriter equipment to Continental Telephone Company of California (Continental), in accordance with the Purchase and Sales Agreement attached to the application as Exhibit 1.

The outside toll facilities Pacific proposes to sell consist of cables and associated plant located in Riverside County between Pacific's Blythe Repeater Station and Continental's Blythe Toll Center. These facilities carry traffic originating and terminating in Continental's operating territory. Pacific's remaining toll facilities which pass through the area to serve its own exchanges are not a part of this sale.

Pacific also proposes to sell five private line teletypewriter machines and associated station equipment and one spare machine and associated equipment. This equipment serves Continental's customers in the Blythe serving area.

The plant proposed for sale is itemized in the Bill of Sale attached to the application as Exhibit 2.

The proposed sale is in conformance with an intercompany agreement whereby Continental will assume responsibility for facilities in its Blythe Exchange carrying originating and terminating traffic to a point of connection close to Pacific's Blythe Repeater Station, and for ownership and maintenance of private line teletype-writer station equipment serving its customers.

Pacific has determined that the structural value to Continental is \$71,837. Continental has agreed to pay and Pacific has agreed to accept \$71,837 plus applicable taxes for the property. The book cost is \$53,001. The depreciation reserve is \$11,947 with a net book cost of \$41,054.

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 2 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 Peterson
President
William Sproull
James L. Sturgeon
[Signature]

Commissioners