

ORIGINAL

MAY 22 1979

Decision No. 90318

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY, a corporation, for authority to sell certain outside plant and miscellaneous toll terminal equipment located within the Millville Exchange to Citizens Utilities Company of California.

Application No. 58755
(Filed March 22, 1979)

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 facilities and central office toll terminal equipment to Citizens Utilities Company of California (Citizens), in accordance with the Purchase and Sales Agreement attached to the application as Exhibit 1.

The toll terminal equipment Pacific proposes to sell is located in Citizens' Palo Cedro central office in the Millville exchange. The outside plant facilities consist of cable and associated equipment located in the Millville exchange between the Palo Cedro central office and the Millville-Redding common exchange boundary. The plant proposed for sale is itemized in the Bill of Sale attached to the application as Exhibit 2.

The sale of this plant will eliminate dual ownership of toll facilities within the Millville exchange and establish a new point of connection between Pacific and Citizens. No land, buildings or rights-of-way are involved in this sale.

Pacific estimates that the structural value of this equipment to Citizens is \$34,700. Citizens has agreed to pay and Pacific has agreed to accept \$34,700. The theoretical depreciation reserve is \$8,420, with net book cost of \$35,330. The original book cost is \$43,750. Personal property taxes will be prorated as of the date of sale.

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. Notification of this application appeared in the Commission's daily calendar on March 23, 1979.

O R D E R

IT IS ORDERED that:

1. The Pacific Telephone and Telegraph Company (Pacific) is authorized to sell and convey to Citizens Utilities Company of California (Citizens) 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 Citizens its pertinent records, memoranda, and documents pertaining to the property sold.
3. Pacific and Citizens 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 the journal entries used to record the sale or purchase on its books.

4. If the authorization herein granted is exercised, Citizens 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 thirty days after the date hereof.

Dated San Francisco, California, this 22nd day of MAY, 1979.

John E. Boyer
President
Joseph L. Johnson
Robert W. Steele
Philip J. Dwyer
Franklin J. ...
Commissioners