

Decision 00-01-036 January 11, 2000

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of the Application of Choctaw Communications, L.C. for authority to transfer the certificate of Choctaw Communications, L.C., an IER and CLR operating in California, to Choctaw Communications, Inc. D/B/A Smoke Signal Communications.

Application 99-11-002  
(Filed November 1, 1999)

**O P I N I O N**

**Summary**

This decision grants the application of Choctaw Communications L.C. (Choctaw) and Choctaw Communications, Inc., d.b.a. Smoke Signal Communications (Smoke Signal), for authorization for Smoke Signal to acquire the certificate of public convenience and necessity (CPCN) and 100% of the outstanding stock of Choctaw.

**Parties to the Transaction**

Choctaw is a Texas limited liability company authorized to do business in California. Its principal place of business is 8400 S. Gessner, Houston, Texas 77074. Choctaw is authorized to operate in California as a local exchange and interexchange service reseller (U-6008-C).

Smoke Signal is a Texas corporation. Its principal place of business is the same as Choctaw's. Smoke Signal does not currently operate as a public utility in California, but operates in approximately 20 other states through authority transferred from Choctaw.

### **Procedural Background**

In Resolution ALJ 176-3026, dated November 4, 1999, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. No protests have been received. Therefore, a public hearing is not necessary, and it is not necessary to alter the preliminary determinations.

Ordering Paragraph 1 of Decision 87-10-035 provides that the Executive Director may grant noncontroversial applications by nondominant telecommunications carriers and radiotelephone utilities to transfer assets or control under Pub. Util. Code §§ 851-854.<sup>1</sup>

### **Proposed Transaction**

The transaction is a conversion from a limited liability company to a corporation. The conversion took place on November 30, 1998. Under the conversion, Smoke Signal acquired 100% of the issued and outstanding stock of Choctaw. All shareholders of Choctaw became shareholders of Smoke Signal in equal portions. No stock purchase was required for the conversion from a limited liability company to a business corporation. There will be no change in the tariffs except the name change. Additionally, there will be no change in management personnel.

### **Discussion**

The transaction is a conversion from a limited liability company to a corporation. The stockholders and management are the same. The only change to the tariffs will be the name change.

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<sup>1</sup> 25 CPUC2d 459 at 462 (1987).

We will grant the application.

### **Findings of Fact**

1. Choctaw and Smoke Signal seek approval of Smoke Signal's acquisition of 100% of the issued and outstanding stock of Choctaw. Smoke Signal will acquire the CPCN held by Choctaw.

2. There is no change in management resulting from the transaction.

3. All stockholders of Choctaw became shareholders of Smoke Signal in equal portions.

4. The tariffs will be unaffected except for the name change.

5. Notice of this application appeared on the Commission's Daily Calendar on November 3, 1999.

6. There were no protests to this application.

7. No hearings are necessary.

8. The Executive Director may grant noncontroversial applications by nondominant telecommunications carriers for authority to transfer assets or control under Pub. Util. Code §§ 851-854.

### **Conclusions of Law**

1. The application is not adverse to the public interest.

2. The application should be granted and made effective immediately.

3. This application is noncontroversial and should be granted by the Executive Director.

## **O R D E R**

**IT IS ORDERED** that:

1. The application of Choctaw Communications, L.C. (Choctaw) and Choctaw Communications, Inc., d.b.a. Smoke Signal Communications (Smoke Signal),

requesting approval of the acquisition of 100% of the issued and outstanding stock of Choctaw by Smoke Signal is approved.

2. The Certificate of Public Convenience and Necessity currently held by Choctaw is transferred to Smoke Signal.
3. Smoke Signal shall file tariffs reflecting the name change.
4. This application is closed.

This order is effective today.

Dated January 11, 2000, at San Francisco, California.

/s/ WESLEY M. FRANKLIN

WESLEY M. FRANKLIN  
Executive Director