

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**Communications Division
Program Management & Implementation
Branch**

**RESOLUTION T-17131
December 20, 2007**

R E S O L U T I O N

Resolution T-17131. Pacific Bell Telephone Company d/b/a AT&T California (U-1002-C). Request for approval to sell land located at 7912 Potrero Avenue, El Cerrito, California in compliance with G.O. 96-B, Section III and Resolution ALJ-202.

By Advice Letter No. 30954 filed September 21, 2007

Summary

AT&T California requests approval under provisions of General Order No. 96-B (G.O 96-B) and revised Public Utilities Code Section 851 Pilot Program adopted in Resolution ALJ-202 to sell land.

This resolution approves AT&T California's request to sell land located at 7912 Potrero Avenue, El Cerrito, California ("the property") to Mr. Sam Genirberg, an individual.

Background

On September 21, 2007 AT&T California filed Advice Letter No. 30954 in compliance with Resolution ALJ- 202 seeking approval to sell land located at 7912 Potrero Avenue, El Cerrito, California to Mr. Sam Genirberg, an individual. The property is a mid- block Lot covering approximately 5,649 square feet. A corner of the lot covering approximately 234 square feet contains an AT&T California-owned cabinet housing a Service Area Interface ("SAI"). Except for this small corner of the lot, the property is vacant and unused. Under the purchase and sale agreement for the property, AT&T California will retain an exclusive, perpetual easement on the portion of the property containing the cabinet housing the SAI. With the exception of the easement, AT&T California has no need for any of the property.

In ALJ-202, the Commission adopted regulatory policies and procedures to implement 851 Pilot Program for processing and approving certain transfers of interests in utility property through advice letters, rather than formal applications under Public Utilities Code Section Section 851. Section 851 generally requires Commission approval of any sale, lease, encumbrance, mortgage, or other transfer or disposition of an interest in utility property that is used or useful in the provision of the utility's services to the public.

Notice/Protests

AT&T California states that it mailed a copy of its advice letter to the Commission's Division of Rate Payer Advocates (DRA), the Commission's CEQA team, the City of El Cerrito Community Development Department, and on the persons and organizations on AT&T California's advice letter service list as required by General Order 96-B. Notice of Advice Letter No. 305954 was published in the Commission Daily Calendar of October 3, 2007. No protest or comments were filed.

Discussion

AT&T California provided the following information specified in Section IV ("contents of Advice Letters") of the Section 851 Pilot Program adopted in Resolution ALJ-202.

1. Identity of All Parties to the Proposed Transactions. The owner and seller of the property is Pacific Bell Telephone Company, 525 Market Street, 19th Floor, San Francisco, CA 94105. The buyer is Mr. Sam Genirberg, 2855 Telegraph Avenue, Suite 304, Berkeley, CA 94705.
2. Description of the Property. The property is a mid-block lot containing approximately 5,649 square feet, located at 7912 Potrero Avenue, El Cerrito, California. A corner of the lot covering approximately 234 square feet contains an AT&T California -owned cabinet housing a SAI. Except for this small corner of the lot, the property is vacant and unused.
3. Transferee's Intended Use of the Property. The buyer believes that in the future he may build a residence on the property. At this time, however, the buyer has not drawn up any definitive plans.
4. Financial Terms of the Proposed Transactions. The buyer will purchase the property for \$325,000 in cash.

5. Distribution of the Financial Proceeds. In accordance with Ordering Paragraph 20 of the Decision 06-08-030, one hundred percent of the proceeds from the sale of the property will be allocated to shareholders.
6. Impact on Ratebase. Not applicable . At&T California operates under the commission's Uniform Regulatory Framework ("URF").
7. Cost and Value of the Property. The original cost and book value of the property is \$5,088. The present fair market value of the property is \$325,000, as determined through the arms-length transaction that is the subject of this advice letter. The \$325,000 figure is also determined by an independent appraisal of the property.
8. Satisfaction of the Eligibility Criteria in Section II of the Pilot Program. CD finds that the information provided in the advice letter satisfy the eligibility criteria identified in Section II of the Section 851 Pilot Program adopted in Resolution ALJ- 202:
 - No Environmental Review Required. AT&T California does not believe this transaction requires any review under the California Environmental Quality Act ("CEQA") because the transaction involves only the transfer of title to the property.
 - No adverse Effect on the Public Interest. The sale of the property will not have an adverse effect on the public interest or on the ability of AT&T California to provide safe and reliable service to customers at reasonable rates. The sale of the property will not interfere with AT&T' California's operations.
 - Distribution of Financial Proceeds. AT&T California states that in accordance with the Ordering Paragraph 20 of Decision 06-08-030, 100% of the financial proceeds from this transaction will be allocated to shareholders.
 - \$5 Million Limitation on Fee Interest Transfer. The property does not have a fair market value in excess of \$5 million. As noted above, the property is being sold at \$325,000, which is the fair market value.
 - \$5 Million Limitation on Sale of Buildings, Sale of Depreciable Assets, Lease, Easement, Right-of-Way or Other Interest in Real Property. Not Applicable.
 - Impact on Ratebase. Not Applicable.

- Transfer or Change in Ownership of Facilities. Not applicable. AT&T California will retain an exclusive, perpetual easement on the portion of the property containing the cabinet housing the SAI.

The Communications Division (CD) concludes that the Advice Letter filed by AT&T California meets all the requirements of the Section 851 Pilot Program's criteria for processing and approving the proposed transaction under the advice letter process. The transaction does not warrant requiring a formal Section 851 application to be filed. CD recommends that the Commission approve this filing. Commission approval is based on the specifics of the advice letter, and does not establish a precedent for the contents of future filings or for Commission approval of similar requests.

This is an uncontested matter in which the resolution grants the relief requested. Accordingly, pursuant to P.U.Code Section 311 (g) (2) and Rule 14.6(c) (2) of the Commission's Rules of Practice and Procedure, the otherwise applicable 30-day period for public review and comment is being waived.

Findings

1. Pacific Bell Telephone Company d/b/a AT&T California ("AT&T California") filed Advice Letter No. 30954 requesting approval to sell land in compliance with Resolution ALJ-202.
2. AT&T California's advice letter provides sufficient information to satisfy the eligibility criteria identified in Section II and meet the major sections specified in Section IV ("Contents of Advice Letters") of the Public Utilities Code Section 851 Pilot Program adopted in Resolution ALJ-202.
3. CD concludes that AT&T's advice letter 30954 meets the requirements established in Resolution ALJ-202.

