

Decision No. 13808

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of Valley Telephone Company (Lassen Telephone Company), F. B. and E. D. Hoffman, owners, for an order of the Railroad Commission of the State of California, granting a Certificate of Public Convenience and Necessity authorizing the re-establishment of telephone service in certain portions of Lassen County, California, authorizing the exercise of franchise rights and privileges conferred by franchise granted by the Board of Supervisors of Lassen County on January 4, 1912, to Honey Lake Valley Mutual Telephone Association, its successors and assigns and authorizing the establishment of rates, rules and regulations.

ORIGINAL

Application  
No. 10093

A. L. WILSON and  
F. B. HOFFMAN, for Applicant.

BY THE COMMISSION:

O P I N I O N . .

In this proceeding F. B. and E. D. Hoffman, owners of Valley Telephone Company, request this Commission to grant them a Certificate of Public Convenience and Necessity requiring them to commence public telephone utility operations within the territory previously served by the Honey Lake Valley Mutual Telephone Association and to exercise the rights and privileges conferred by a franchise granted by the Board of Supervisors of Lassen County to Honey Lake Valley Mutual Telephone Association, and to render telephone service under rates, rules and regulations as set forth in the application and for such further order as may seem proper.

A public hearing in this matter was held before Examiner Satterwhite in Susanville on July 11th, 1924, at which time evidence was received and the matter was submitted.

The original application in this proceeding was made under the name of Valley Telephone Company, F. B. and L. D. Hoffman, owners. In the hearing applicants requested that their application be amended in that the name be changed to Lassen Telephone Company, F. B. and L. D. Hoffman, owners. This request was granted.

Applicants in this proceeding are the same parties who owned and formerly operated the Honey Lake Valley Mutual Telephone Association which discontinued operations as a public utility on March 1st, 1924. Authority for such procedure was granted by this Commission to Honey Lake Valley Mutual Telephone Association in Decision No. 12,997 dated January 9th, 1924, (24 C.R.C. 304) after a public hearing in this matter in which it was shown that applicant was unable to earn operating expenses under the then existing rates and that the subscribers were unwilling to pay any increase in rates.

The subscribers heretofore served by the Honey Lake Valley Mutual Telephone Association have now been without telephone service for a period of approximately four months and finding the use of the telephone an essential service, and that without this service they are greatly inconvenienced, they have advised Mr. Hoffman that if he would re-establish telephone service that they would be willing to pay increased rates.

The territory which Lassen Telephone Company serves is identical with the territory heretofore served by the Honey Lake Valley Mutual Telephone Association and the service to be furnished

is the same service heretofore rendered. The lines and equipment of the Honey Lake Valley Mutual Telephone Association are still in place and applicants state that they are able to commence operations, if authority is so granted, within a period of a few days. Applicants have made arrangements with the Nevada, California and Oregon Telephone and Telegraph Company whereby the latter company will furnish toll and telegraph service to applicants' subscribers and to the public.

No objections to the granting of the request of applicants were made at the hearing and there was evidence by various parties to the effect that applicants should be allowed to commence operations as a public utility and to render telephone service under the rates which applicant proposes in order that the people of the various towns, which applicants propose to serve, might have adequate telephone service at the earliest possible date.

From the evidence submitted in connection with this proceeding and in Application No. 9479, it appears that the net return for interest under the rates proposed by applicants will not exceed 5% on a reasonable rate base of applicants' properties. There also appears to be no reason why applicants should not now be allowed to commence operations as a public utility and to render telephone service under the rates, rules and regulations which they propose. Accordingly the order following will provide that applicants commence operations as a public utility and that telephone service will be available from and after July 21st, 1924.

O R D E R .

F. B. and E. D. Hoffman, owners of Lassen Telephone Company, having requested this Commission for an order granting a

Certificate of Public Convenience and Necessity requiring it to operate as a public telephone utility and to render telephone service throughout the territory heretofore served by the Honey Lake Valley Mutual Telephone Association under rates, rules and regulations as requested in its application, and for such further order as may seem proper to this Commission, a public hearing having been held, the Railroad Commission having fully considered all evidence in this proceeding, and the matter now being ready for decision:

The Railroad Commission of the State of California hereby declares that public convenience and necessity require applicants to operate the system formerly known as Honey Lake Valley Mutual Telephone Association as a public utility and to render telephone service throughout the territory heretofore served by Honey Lake Valley Mutual Telephone Association.

Basing its order on the foregoing findings of fact and upon other findings of fact contained in the Opinion preceding this order:

IT IS HEREBY ORDERED that Lassen Telephone Company, F. B. and L. D. Hoffman, owners,

(1) Render exchange telephone service to applicants requesting such service on or after July 21st, 1924.

(2) Charge and collect the rates, as set forth in Exhibit "A" attached hereto, for exchange telephone service rendered on and after July 21st, 1924.

(3) File with the Railroad Commission, on or before September 15th, 1924, rates as set forth under Section 2 above.

(4) File with the Railroad Commission, on or before September 15th, 1924, rules and regulations to govern service as may be informally approved by it.

(5) Render telephone service, in accordance with the rules and regulations as set forth in Applicants' Exhibit "B" in their application in this proceeding, on and after July 21st, 1924, and up to the time of the acceptance of rules and regulations, as set forth under Section 4 above.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission.

Dated at San Francisco, California, this 15<sup>th</sup> day of July, 1924.

C. S. Seaver

H. W. Brundage

Dwight Martin

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Commissioners.

E X H I B I T "A"

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EXHIBIT "A"

SCHEDULE NO. 1.

General Service

The following schedule applies to business and residence exchange service rendered throughout the entire territory served.

Service under this schedule is to be used only by a subscriber and members of his immediate family.

RATE

	<u>Rate per Month</u>	
	<u>Wall Sets</u>	<u>Desk Sets</u>
<u>Business Service</u>		
Party Line	\$4.00	\$4.25
Inside Extension Sets	1.00	1.25
<u>Residence Service</u>		
Party Line	\$3.00	\$3.25
Inside Extension Sets	1.00	1.25

CONDITIONS

a - Discount

The above party line rates are subject to a discount of 50¢ if the bill is paid in advance on or before the 15th day of the month.

b - Party Line Service

Not more than fifteen primary stations will be connected to any one line.

c - Outside Extension Sets

Outside extension sets will be charged for at the rates quoted above for party line stations.

E X H I B I T "A"

SCHEDULE No. 2

Pay Station Service and Non-Subscriber Local Switching Service

Pay Stations will be provided at suitable locations for Toll Service and for Local Switching Service.

Toll calls placed at Pay Stations will take the standard toll rates of the Nevada, California and Oregon Telegraph and Telephone Company and its connecting companies.

For all local calls placed at Pay Stations, and for all local calls placed by non-subscribers at subscribers' stations, a local switching charge of 25¢, unlimited, will be made. This 25¢ charge does not apply to toll calls.



E X H I B I T "A"

SCHEDULE No. 3

Supplemental Equipment

Supplemental equipment installed under the following rates will be maintained by the Company at its own expense.

<u>Class of Service</u>	<u>Installation Charge</u>	<u>Rate Per Month</u>
Ordinary Extension Bell	\$1.50	\$ .25