

Decision No. 17565.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of the MAGNOLIA FARMERS TELEPHONE
COMPANY for an order of the Rail-
road Commission of the State of
California authorizing it to file
Rates, Service Connection Charges,
Moves and Change Charges and other
Rules and Regulations governing
service.

ORIGINAL

Application No. 12586.

Wm. Wilcox, for Applicant Magnolia Farmers Tele-
phone Company.
C. E. Button for Lindsay Home Telephone and Tele-
graph Company.
Ernest Irwin for California Independent Telephone
Association.

BY THE COMMISSION:

O P I N I O N

In this proceeding Magnolia Farmers Telephone Company, hereinafter called applicant, an incorporated company, furnishing telephone service in the Town of Strathmore and vicinity, is requesting an order of the Railroad Commission authorizing it to file rates applicable to service rendered by it and to file and make effective Service Connection Charges, Moves and Change Charges and other Rules and Regulations governing the furnishing of service similar to rules and regulations on file with this Commission by other telephone utilities operating within the state.

A public hearing was held in this matter before Examiner Satterwhite, in the town of Lindsay, on September 15, 1926, at which time and place the matter was submitted.

Applicant, Magnolia Farmers Telephone Company, is engaged

in furnishing telephone service in the town of Strathmore and surrounding territory on ten-party lines connected to the Lindsay central office of the Lindsay Home Telephone and Telegraph Company. Applicant does not own or maintain a telephone central office, but secures switching service to and from and between its lines from the Lindsay Home Telephone and Telegraph Company. Applicant owns and maintains its lines to the primary rate area of the Lindsay exchange from which connection to the central office is made over lines owned and maintained by the Lindsay Home Telephone and Telegraph Company.

The rates now being charged by applicant for ten-party line service are \$9.00 per year for shareholders, payable annually in advance or in quarterly installments, and \$2.50 per month for business service and \$2.00 per month for residence service furnished to non-shareholders. Applicant furnishes wall type telephones to non-shareholders at the above rates and out of the revenues received therefrom pays to the Lindsay Home Telephone and Telegraph Company its scheduled rates for the switching service performed by it. Each shareholder is required to own his telephone instrument and to pay the charges for exchange switching directly to the Lindsay Company. Battery renewals are made by applicant for all of its subscribers. Toll collections are made by the Lindsay Company. It should be noted that non-shareholders are required to pay exchange rentals to applicant and toll bills to Lindsay Company while shareholders pay both exchange rentals and toll bills to Lindsay Company. It appears that a more satisfactory arrangement would be for applicants to make all collections from its subscribers and enter into a contract with the Lindsay Company which would provide that applicant should

receive a reasonable compensation for such work performed by it.

The furnishing of telephone service to shareholders and non-shareholders at different rates for like service constitutes a discriminatory practice which should be removed at this time and the order herein will so provide. It appears that inequalities in service will exist as long as certain subscribers continue to own their telephone instruments. It appears advisable that applicant remove these inequalities by acquiring ownership of all telephones and appurtenances thereto and applying its regular rates to all subscribers within the area served.

Applicant sets forth, in the form of an exhibit, a map of the territory in which it desires to furnish telephone service and no objections having been entered, the allotment of territory will be in accordance with this request.

There appears no good reason why applicant should not now file rules and regulations governing its telephone service.

O R D E R

The Magnolia Farmers Telephone Company having requested the Railroad Commission for an order authorizing it to file rates, rules and regulations applicable to service connection and restoration charges and charges for moves and changes, and for such other relief as the Commission may find necessary, a hearing having been held, the matter having been submitted and being now ready for decision:

The Railroad Commission of the State of California hereby finds as a fact that the rates now being charged by applicant in so far as they differ from the rates hereinafter set forth are unjust and unreasonable and that the rates herein established and shown in Exhibit "A" attached hereto are reasonable for services furnished under the conditions set forth in the Opinion preceding this order

and that applicant should file a map of its territory as shown in Exhibit "B" attached hereto and also file rules and regulations as set forth in Exhibit "C" attached hereto.

Basing its order on the foregoing findings of fact and on such other findings of fact as may be contained in the opinion preceding this order;

IT IS HEREBY ORDERED that Magnolia Farmers Telephone Company, on or before December 20, 1926, shall:

(1) file with the Railroad Commission the rates set forth in Exhibit "A", attached hereto, for service furnished on and after January 1, 1927;

(2) file with the Railroad Commission a map showing the territory served by it as set forth in Exhibit "B" attached hereto; and,

(3) file with the Railroad Commission rules and regulations governing the furnishing of telephone service as set forth in Exhibit "C" attached hereto.

For all other purposes the effective date of this order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 30th day of

October, 1926.

H. B. Brundage
O. C. Leavelle
Ernest East
Leon Whitted
Thos. R. Rutter
Commissioners.

EXHIBIT "A"

RATES FOR EXCHANGE SERVICE

EXCHANGE SERVICE - SCHEDULE NO. A-1

SUBURBAN SERVICE:

Applicable to ten (10) party business and residence service furnished throughout the entire territory served.

RATE:

(a) <u>Station Rate</u>	<u>Rate per Month Per Station</u>	
	<u>Wall Set</u>	<u>Desk Set</u>
Business Service,	\$2.00	\$2.25
Residence Service,	1.50	1.75

(b) Switching Rate

This rate is the Lindsay Home Telephone and Telegraph Company's switching rate in effect in its Lindsay Exchange.

CONDITIONS:

(1) The total charge will be the sum of charges resulting from the application of the above rates (a) and (b).

(2) The subscriber will be allowed a discount of ten (10) per cent on the station rate under (a) if the total bill for exchange service is paid in the first month of the year in advance for one year.

EXHIBIT "B"

MAP OF TERRITORY

CALIFORNIA RAILROAD COMMISSION

MAP SHOWING SERVICE AREA OF MAGNOLIA FARMERS TELEPHONE COMPANY

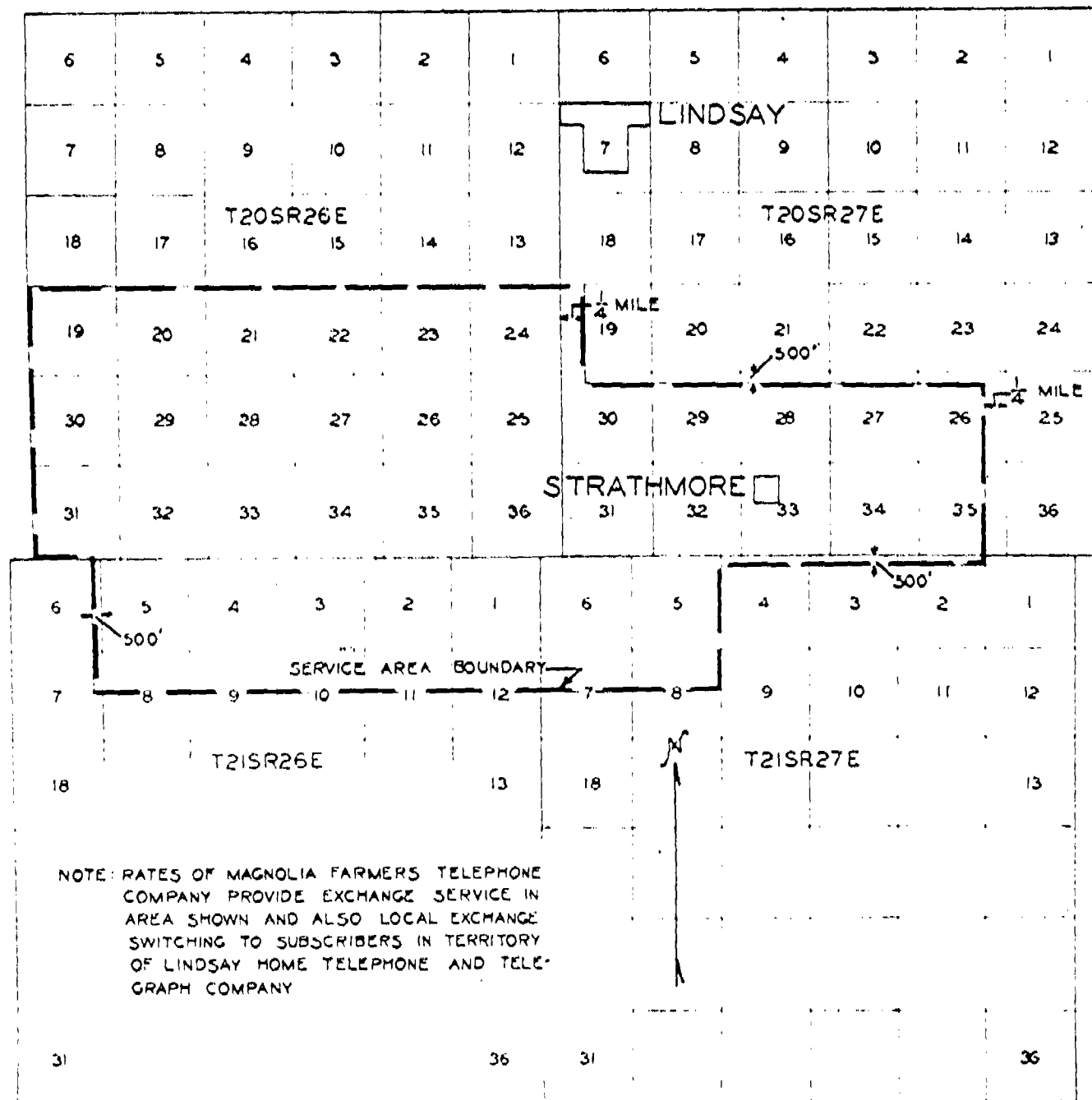
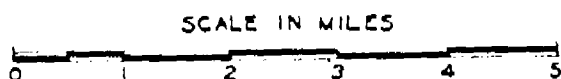


EXHIBIT "C"

RULES AND REGULATIONS GOVERNING TELEPHONE SERVICE

A. Service Connection Charges:

Service connection charges provided for hereunder are payable at the time application for the particular service or facility is made and are in addition to the regular schedule of rates.

Service connection charges apply to all exchange service and facilities in accordance with the following provisions:

(1) New Service

Individual and party lines:

Business and residence, each station - - \$3.50

Extension Stations:

Business and residence, each station - - 1.50

(2) Additional Service

Individual and party lines:

Business and residence, each station - - 3.50

Extension stations:

Business and residence, each station - - 1.50

(3) Service where the telephone instrument is
already in place on subscriber's premises

Business and residence, subscriber's exchange
service, one or more units - - - - - \$1.50

A change in location or type of instrumentalities made at subscriber's request is subject to the charges for moves and changes, provided the total charges for such moves and changes shall not exceed the charges for the initial establishment of the subscriber's complete service and facilities.

Service connection charges do not apply under the following conditions:

Business Service:

(a) When service is assumed by a receiver or trustee, executor or administrator of an estate.

(b) Change in the name of the business concern (i.e., individual, partnership, syndicate or corporation) when there

Business Service (Continued):

is no complete change in ownership or management.

Residence Service:

- (a) When service is assumed by a member of the former subscriber's family located in the same premises.
- (b) When there is no change in the individuality of the recipient.
- (c) When the subscriber's name has been changed by marriage or court order.

B. Moves and Changes:

Moves and changes of telephone apparatus and wiring on the subscriber's premises, at the request of the subscriber, will be made by the company and the charges for such work will be as follows:

(a) Telephone Sets

- 1. Moving from one location to another \$ 3.00
- 2. Change in type or style 3.00

(b) Other Equipment and Wiring

Charges for moving or changing of equipment or wiring other than that included under (a) will be an amount equal to the actual cost of labor and material involved.

(c) Maintenance

The charges specified above do not apply if the changes or moves are initiated by the telephone company and required for proper maintenance of the equipment or service.

(d) Change in class of service

The charges specified above do not apply if the changes are required because of a change of type, class or grade of service.

C. Service Charge for Restoration of Service:

A service charge of \$1.00 may be made and collected by the Company before the restoration of service, where service has been temporarily discontinued for any of the following reasons:

- (a) Non-payment of bills as required by the Company's Rules and Regulations.
- (b) To protect the company against fraud.
- (c) For failure of subscriber to comply with the Company's Rules and Regulations after service has been established.

- (d) For any other reason for which the subscriber is responsible except a change in class, type or grade of service or location of facilities.

When a service has been permanently disconnected the above charge does not apply.

D. Definitions, Rules and Regulations:

Definitions, rules and regulations similar to those definitions, rules and regulations contained in this Commission's Decision No. 13478, (24 C.R.C. 854) except as modified in Sections A, B, and C above.