

ORIGINAL

Decision No. 17593

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application
of COAST TELEPHONE COMPANY for
permission to discontinue free
switching between Cambria and
Cayucos and between Cayucos and
Templeton.

Application No. 13030.

J. R. Fort, in propria persona, for applicant.
J. G. Marshall, for The Pacific Telephone and
Telegraph Company, interested party.
Peter Tognazzini, a subscriber, protestant.

BY THE COMMISSION:

O P I N I O N

In this proceeding the Coast Telephone Company makes application to discontinue furnishing so-called free toll service between its Cambria and Cayucos exchanges, and also the free switching between its "Old Creek" line out of the Cayucos exchange, and a farmers' line which runs northeast into the Templeton exchange of The Pacific Telephone and Telegraph Company, and in this latter case to charge its subscriber, who does the switching between those two lines, applicant's regular rate for service.

A public hearing was held in this application before Examiner Williams in Cambria on October 13, 1926, at which time and place the matter was submitted.

Coast Telephone Company is the name and style under which J. R. Fort, owner and manager, is conducting a telephone business in the towns of Cambria and Cayucos. Each of these towns with its surrounding territory forms a telephone exchange area with its own central office located in the town and with the so-called free ser-

vice between the two exchanges in addition to regular toll service between them which is furnished by The Pacific Telephone and Telegraph Company.

The so-called free toll service between Cambria and Cayucos, which the applicant desires to eliminate, has for a number of years past been furnished over a grounded circuit, which also has twelve local subscribers on it, and all of whom are within the Cambria exchange area.

Applicant made no objection to continuing the so-called free toll service until a power transmission line paralleling the telephone line caused such inductive interference that it became necessary to rebuild and metallicize his line. This rebuilding has been completed from the Cambria central office some eight miles toward Cayucos, and all of the local subscribers on that line will be served on the metallic circuit. Applicant desires to eliminate the so-called free service so that it will not be necessary to rebuild the line for the remainder of the distance, approximately six and one-half miles, into Cayucos. Applicant states that the cost of metallicizing the line for the balance of the distance would be \$310.00 for construction, and \$15.50 per year attachment rental on the poles of The Pacific Telephone and Telegraph Company. Maintenance and depreciation on this six and one-half miles of line would be at least \$30.00 per year.

Several subscribers from both the Cambria and Cayucos exchanges protested the granting of the application on the basis that the grade of service received did not warrant an increase in rates, which they erroneously thought was involved in the application. Applicant admitted that the service on a number of his lines is unsatisfactory, due to their being grounded circuits paralleled by electric transmission lines, but stated that any money available to put into his plant

could better be expended in metallicizing those lines rather than building the additional six and one-half miles of metallic circuit in order to continue the so-called free switching between Cambria and Cayucos. Testimony in this proceeding shows that the service applicant asks to discontinue is used very seldom by his subscribers. The record shows that only 111 calls had been placed over the line from the Cambria to the Cayucos exchange for the six-months period ending September 12th.

The switching between the Templeton farmers' line and applicant's "Old Creek" line, according to testimony of applicant, was initiated a number of years ago for the benefit of four or five of the Templeton subscribers who are located nearest Cayucos. Arrangements were made for applicant's subscriber at the end of the "Old Creek" line to switch the Templeton line to the "Old Creek" line in order to give those four or five Templeton subscribers access to Cayucos telephone service and also to provide his local service without charge. This present arrangement makes it physically possible for any of the Templeton subscribers of The Pacific Telephone and Telegraph Company to obtain so-called free service with any of Coast Telephone Company's Cayucos or Cambria subscribers, which was never-contemplated by applicant. No objection was made at the hearing to the granting of this part of the application.

A general principle of furnishing telephone service, within this state and throughout the country, assumes separate exchange areas for different communities within which a local service is furnished for a local rate, and with a toll rate for service between separate exchanges and results in a practical method of furnishing telephone service, and at the least cost to the subscriber.

The evidence in this proceeding shows that a major portion of the small use that is made of this so-called free toll service is confined to only a few of applicant's subscribers, also that The

Pacific Telephone and Telegraph Company has now, and has had for a number of years, a toll service between these exchanges at rates on file with this Commission.

It appears that the requests made in this application should be granted, and the order following will so provide.

O R D E R

Coast Telephone Company, J. R. Fort owner, applicant in this proceeding, having requested the Railroad Commission for an order authorizing the discontinuance of so-called free toll service between its Cambria and Cayucos exchanges, and free switching between a farmer line of the Pacific Company's Templeton exchange and the applicant's Cayucos exchange, a public hearing having been held, the matter having been submitted and now being ready for decision:

The Railroad Commission of the State of California hereby finds as a fact that the Coast Telephone Company, J. R. Fort owner, should discontinue the furnishing of the so-called free toll service between its Cambria and Cayucos exchanges, and free switching between the Templeton and "Old Creek" lines, and also that applicant should charge its regularly filed rates for local telephone service to all subscribers on the "Old Creek" line.

Basing its order on the foregoing findings of fact:

IT IS HEREBY ORDERED that Coast Telephone Company, J. R. Fort owner, shall, on December 1, 1926, disconnect that part of his line between Cambria and Cayucos which is located in the Cayucos exchange area from that part which is located in the Cambria exchange area and shall discontinue furnishing so-called free toll service between the Cambria and Cayucos exchanges on and after December 1, 1926.

IT IS HEREBY FURTHER ORDERED that Coast Telephone Company, J. R. Fort owner, shall on and after December 1, 1926, discontinue

free switching between the "Old Creek" and Templeton line and shall charge all subscribers receiving the same service over the "Old Creek" line the rates filed with this Commission for such service.

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 10th day of November, 1926.

H. H. B. ...

C. L. ...

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Commissioners.