

ORIGINAL

Decision No. 19002.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

SMART AND FINAL, a corporation,
Complainant,

vs.

Case No. 2382.

ASSOCIATED TELEPHONE COMPANY and
THE PACIFIC TELEPHONE AND TELEGRAPH
COMPANY, corporations,
Defendants.

Louis N. Whealton, for Complainant.
J. E. Biby, for Associated Telephone
Company, Defendant.
Lawler & Degnan and James G. Marshall for
The Pacific Telephone and Tele-
graph Company, Defendant.
Ernest Irwin, for California Independent
Telephone Association, Interested
Party.

CARR, COMMISSIONER:

O P I N I O N

Smart & Final Company, wholesale grocers and coffee roasters, with headquarters at Wilmington, in the San Pedro and Wilmington Exchange Area of The Pacific Telephone and Telegraph Company, seek foreign exchange service between its place of business and the Long Beach Exchange Area of the Associated Telephone Company. The Pacific Telephone and Telegraph Company by its answer indicates its willingness to be a party to such service between the two exchanges provided the Associated Telephone Company will consent and co-operate. The latter company, while not flatly refusing to be a party to such a service, urges that a proper case for it is not presented.

A public hearing was held in Long Beach on September 8, 1927, when the matter was submitted.

Foreign exchange service, being direct exchange service from one exchange to a subscriber located in another exchange area, while somewhat new in California, is proving its usefulness and convenience to the public. The evidence in this particular case illustrates its importance. For several years the complainant had such service through facilities provided by the United States Long Distance Telephone and Telegraph Company. In May, 1926, when the complainant moved its place of business from one point in Wilmington to another, this service was withdrawn from it, since which time it has suffered a considerable inconvenience and disarrangement in the conduct of its business. Clearly, the relief asked by the complainant should be granted.

No question is presented here as to rates to be charged for the service desired, complainant stipulating that the matter of rates is a matter of little or no consequence.

To make effective the order requiring foreign exchange service to the complainant requires the establishment of a rate therefor. Sufficient experience is not available to determine with any exactitude either the rate proper to be charged for this class of service, or the various conditions under which it may be given. For the time being and for the purposes of this proceeding the rate fixed will be on the basis of that existing between the Los Angeles and Santa Monica Exchanges, conditions prescribed likewise being similar. In the meantime each of the defendant companies will be required to set up monthly in their records and make available to the Commission financial statements of the investment, revenues and expenses appertaining to each

Long Beach foreign exchange service furnished in the San Pedro and Wilmington Exchange Area.

While under the form of this proceeding the only relief which can be ordered is foreign exchange service to the complainant, the defendant companies should make this service available to the public generally without necessitating a further proceeding before the Commission. Otherwise there will exist a discriminatory situation which cannot be tolerated.

I submit the following form of order:

O R D E R

This case being at issue upon complaint and answers on file, having been duly heard and submitted by the parties thereto, investigation of the matters involved having been had and basing this order on the findings of fact and conclusions contained in the opinion preceding this order, which opinion is hereby referred to and made a part hereof,

IT IS HEREBY ORDERED that The Pacific Telephone and Telegraph Company and the Associated Telephone Company shall extend Long Beach Exchange service into the San Pedro and Wilmington Exchange Area at the rates and under the conditions set forth in Exhibit "A" attached hereto and made a part hereof,

IT IS HEREBY FURTHER ORDERED that The Pacific Telephone and Telegraph Company shall

1. File with the Railroad Commission on or before October 31, 1927, a schedule of rates and charges for Long Beach Exchange service rendered in its San Pedro and Wilmington Exchange Area, as set forth in Exhibit "A", attached hereto and made a part hereof.

2. Charge and collect for foreign exchange service furnished on and after November 1, 1927, the rates and charges set forth in said Exhibit "A."

IT IS HEREBY FURTHER ORDERED that The Pacific Telephone and Telegraph Company and the Associated Telephone Company each set up in its files for a two-year period, monthly records of investment in each Long Beach foreign exchange service in the San Pedro and Wilmington Exchange Area, together with revenues and expenses appertaining thereto, and shall keep separate records of incoming and outgoing messages to and from such foreign exchange telephone station or trunk line.

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

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

Dated at San Francisco, California, this 4th day
~~of October~~ ^{November}, 1927.

Frank D. Smith
W. A. Seavey
Leon Whitell
Thos. S. Carter
W. J. Lee
 Commissioners.

EXHIBIT "A"

FOREIGN EXCHANGE RATES.

EXCHANGE SERVICE SCHEDULE NO. A-18.

Foreign Exchange Service-----San Pedro and Wilmington.

Service:

Applicable to Long Beach Exchange Service
furnished in the San Pedro and Wilmington
Exchange Area.

Rate:

Long Beach Exchange
Service Furnished in
San Pedro and Wilming-
ton Exchange Area.

(1) Individual Line Service.(a) Station Rate:

Each Primary Station, per month:

Wall Set-----Long Beach Business Indi-
vidual Line, Wall Set Rate.

Desk Set-----Long Beach Business Indi-
vidual Line, Desk Set Rate.

(b) Mileage Rate:

Each Primary Station, per Rate per Each 1/2 Mile or
month-----Fraction Thereof.

One Mile or Less-----\$3.00

Next One Mile or Less-----\$6.00

All Mileage in Excess of Two Miles----\$9.00

(c) Each Extension Station:

Local Rate.

The total Foreign Exchange charge is the sum of the charges
determined under rates (a), (b) and (c) above.

(2) Commercial Private Branch Exchange Service.(a) Switchboard Rate-----Local Rate.(b) Station Rate-----Local Rate.(c) Trunk Rate:

Local Trunks-----Local Rate

Each Foreign Exchange

Trunk, per month-----Long Beach Rate for
First Commercial Pri-
vate Branch Exchange
Trunk.

(2) Commercial Private Branch Exchange Service (Contd)

(d) Mileage Rate: Per Each One-half Mile or Fraction Thereof.

Each Private Branch Exchange Trunk Line per Month.

One Mile or Less-----\$3.00

Next Mile or Less-----\$6.00

All Mileage in Excess of Two Miles-----\$9.00

The total Foreign Exchange charge is the sum of the charges determined under rates (c) and (d) above.

Conditions:

1. The above mileage rate is based on the air-line distance measured between the subscriber's primary station or private branch exchange switchboard and the nearest point on that portion of the common boundary of the Long Beach, and San Pedro and Wilmington Exchange areas extending from Willow Street to the Pacific Ocean.

2. Foreign Exchange Service will be furnished subject to the same conditions as to its use by others than the subscriber and his representatives which are applicable in other classes of subscriber's telephone service. Joint user service will not be permitted nor will foreign exchange trunk service be provided in connection with private branch exchange switchboards located in hotels, apartment houses or clubs.

3. The phrase, "local rate", as herein used, refers to the Wilmington Exchange rates for telephone service.

4. Subscribers to Foreign Exchange Service are required to have service of the exchange from which local service normally would be rendered, on the premises on which Foreign Exchange Service is furnished.

5. The scope of Long Beach Exchange service for, and the toll rates to and from individual line stations or private branch exchange systems connected for foreign exchange service in the

San Pedro and Wilmington Exchange area will be in accordance with the tariff provisions of the Long Beach Exchange for the particular class of service furnished.

6. Extension stations and private branch exchange stations referred to above will be installed on the premises on which the primary station or private branch exchange switchboard is located.

7. Foreign Exchange Service from the Long Beach Exchange will be furnished in the territory of the San Pedro and Wilmington Exchange under the following conditions:

(a) The applicant for such service may be required to pay in advance, prior to the installation of the service, an amount equal to the net cost of installing and removing any facilities necessary in connection with the furnishing of such service by the Company serving the local exchange.

(b) If the service is retained for a period of one year or more at the same location, the subscriber will be paid the following amounts of money providing, the subscriber retains the service continuously throughout the respective periods for which payments apply and, further providing the subscriber has paid any and all sums due and payable to the Company for the service.

On expiration of first year following installation of service, 33 1/3 per cent of advance payment.

On expiration of second year following installation of service, 33 1/3 per cent of advance payment.

On expiration of third year following installation of service, 33 1/3 per cent of advance payment.

In addition to the above payments, interest will be paid on each payment made and on the unpaid balance at the rate of 6 per cent per annum.

(c) Nothing in this rule shall be construed as limiting or in any way affecting the right of the Company to collect from the subscriber any other or additional sum of money which may become due and payable to the Company from the subscriber by reason of the service furnished or to be furnished hereinafter.