

Decision No. 29744

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 COLORADO RIVER TELEPHONE COMPANY, a
 corporation, for an Order Authorizing
 it to Establish and File Certain
 Rates for Telephone Service.

ORIGINAL

Application No. 14,563.

Ernest Irwin, for Applicant.

BY THE COMMISSION:

O P I N I O N

Colorado River Telephone Company in this proceeding, hereinafter sometimes referred to as the applicant, requests an order authorizing the establishment of certain rates which differ in amount and conditions from rates heretofore authorized.

A public hearing was held in this application before Examiner Rowell at Blythe, Riverside County, on January 8, 1929, and the matter was submitted for decision.

Applicant furnishes exchange telephone service in the Palo Verde Valley over an area approximately one hundred and twenty-five square miles in extent, including the City of Blythe, Ripley, Fertilla and other small communities from a central office switchboard located in Blythe. Applicant formerly furnished toll telephone service between certain points within the Palo Verde Valley, but at the present time no such toll service is provided and no connecting lines are available whereby applicant's exchange lines may be connected to the long distance lines of other companies for communication with outside points.

Under present arrangements applicant serves all suburban subscribers to the same class and grade of rural service at one particular monthly rate without regard to the location of

the subscriber's station. Thus a subscriber at Intake, about ten miles north of Blythe, may receive telephone service at the same rate as another suburban subscriber more advantageously situated nearer the central office. This results in an undue burden upon those subscribers who are nearer the City of Blythe and favors indirectly those located at more distant points.

Applicant has proposed the division of its suburban area into two zones, known as Zone 1, which comprises the area nearer Blythe and Zone 2, including the more distant points. The rates proposed by applicant will result in an increase of fifty cents a month for thirty nine primary stations in Zone 2 and a reduction of fifty cents a month for one primary station in Zone 1. Thirty nine primary stations within the Primary Rate Area will receive a reduction of twenty five cents a month. The net increase in revenue derived by the application of these rates will be about four dollars a month.

Applicant submitted a proposed rate base for 1928, of \$58,794.60 consisting of an estimated undepreciated historical cost as of June 1, 1926, amounting to \$56,362.11 plus Additions and Betterments, Working Cash Capital and Materials and Supplies of \$2,432.49.

Mr. F. M. Casal and Mr. K. N. Clement of the Commission's Engineering Staff made a complete check of the inventory and appraisal dated June 1, 1926, which was found to be reasonably accurate both as to quantities of material and prices applied thereto. Applicant listed 375 telephone stations in service as of June 1, 1926. The Commission check as of April 30, 1928, showed only 328 stations in service or 87.47% of those shown by the applicant. It is evident that the reduction in the number of operative telephone stations should be reflected in a credit

to the accounts, Station Apparatus and Station Installations, during the period from June 1, 1926, to April 30, 1928. As no credit appeared in these accounts on applicant's book figures of additions and betterments during this period, an amount of \$920.00, determined by the above shown ratio, has been deducted from additions to capital accounts. Commission's engineers have used an estimated rate base for the period May 1, 1928, to April 30, 1929, of \$58,300.00 obtained as follows:

Applicant's Appraisal as of June 1, 1926,	
less \$2.93 for fuses on extension bells,.....	\$56,359.18
Net Additions to April 30, 1928,.....	475.97
Materials and Supplies and Working	
Cash Capital,.....	1,110.00
Estimated Additions to October 31, 1928,.....	<u>360.00</u>
Total,.....	\$58,305. ¹⁵ ₀₀

M.M.

An estimate of revenues and expenses was made by the Commission engineers, using a classification of stations in service April 30, 1928. Net revenue under the proposed rates was estimated as \$3,430.00, which is considerably in excess of that estimated by the applicant, due probably to the fact that classifications of stations of different dates were used in the two estimates. The classification as of April 30, 1928, will be used for the purpose of this proceeding. The rate of return as determined by the Commission engineers based upon the classification of stations as of April 30, 1928, and by application of the proposed rates is approximately 6%.

ORDER

Colorado River Telephone Company, having petitioned the Railroad Commission for authority to establish certain

divisions of its Exchange Service Area and to make effective and file schedules of rates for exchange telephone service within said divisions of its Exchange Service Area, a public hearing having been held and the matter now being under submission and ready for decision,

The Railroad Commission hereby finds as a fact that the rates and charges as proposed by Colorado River Telephone Company will more equitably distribute the charges for service among subscribers and therefore should be granted.

Basing its order on the foregoing finding of fact and on other findings and statements of fact contained in the opinion which precedes this order,

IT IS HEREBY ORDERED that Colorado River Telephone Company shall:

1. Establish zone boundaries within the Exchange Area as set forth on the map in Exhibit "A" attached hereto and made a part of this order, effective on and after April 1, 1929.

2. Charge and collect rates for exchange telephone service in Blythe Exchange as set forth in Exhibit "B" attached hereto and made a part hereof for service rendered on and after April 1, 1929.

3. Submit for filing with the Railroad Commission on or before March 15, 1929, maps showing Primary Rate Area boundary and Exchange Area zone boundaries as shown in Exhibit "A" attached hereto.

4. Submit for filing with the Railroad Commission on or before March 15, 1929, schedules of rates for exchange telephone service as set forth in Exhibit "B" attached hereto.

5. Submit for filing with the Railroad Commission on or before March 15, 1929, rules and regulations governing telephone service in Blythe Exchange.

6. Cancel all schedules of rates for service in said Exchange which are not included in Exhibits "A" and "B" attached hereto, effective April 1, 1929.

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 4th day of February, 1929.

Thos D. Louth

Ed. J. ...

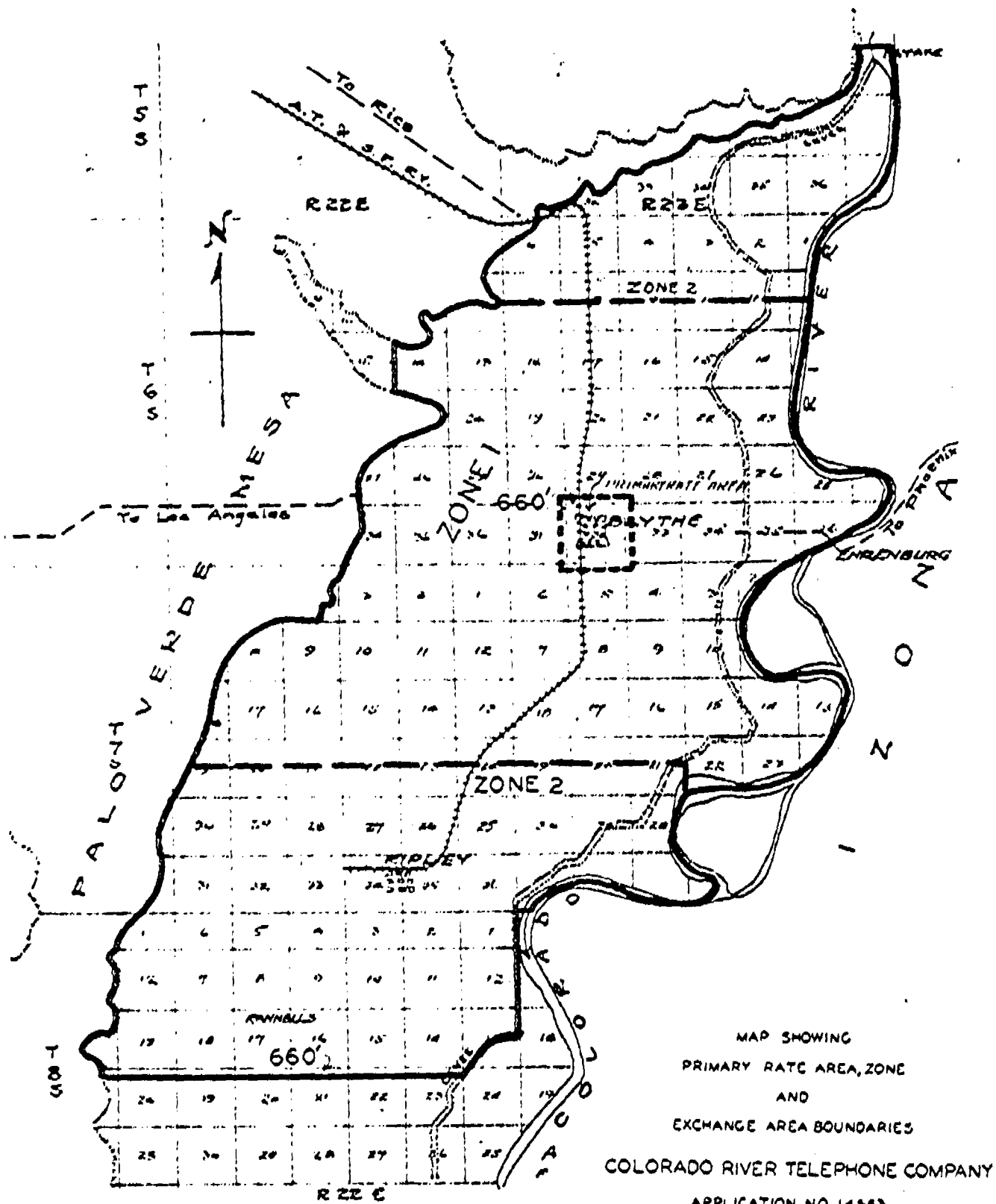
Ernest ...

Leon Whittell

W. A. ...
Commissioners.

EXHIBIT " A "

MAP



MAP SHOWING
 PRIMARY RATE AREA, ZONE
 AND
 EXCHANGE AREA BOUNDARIES
 COLORADO RIVER TELEPHONE COMPANY
 APPLICATION NO. 14363

EXHIBIT "B"

RATES

EXCHANGE SERVICE SCHEDULE NO. A-1UNLIMITED EXCHANGE SERVICE:

Applicable to all Individual and Party-line flat rate service within the Primary Rate Area.

RATE:Rate per Station per Month

Class of Service	<u>Business Service</u>		<u>Residence Service</u>	
	Wall Set	Desk Set	Wall Set	Desk Set
Individual Line	\$3.75	\$4.00	\$3.00	\$3.25
Two-party Line	3.25	3.50	-	-
Four-party Line	-	-	2.25	2.50
Extension, with or without bell, inside	*1.25	*1.50	*1.00	*1.25
Extension, with or without bell, outside	*1.75	*2.00	*1.50	*1.75

CONDITIONS:

1. For service outside the Primary Rate Area see Mileage Rates, Schedule No. A-4.

2. A discount of twenty-five cents (\$.25) per month will be allowed on all rates except those marked with an (*) if paid on or before the tenth (10th) of the month.

3. Inside extension equipment will be provided at the above rates on the same premises as the Primary Station. Outside extension equipment will be furnished off the same premises as the Primary Station but on the same continuous property.

EXCHANGE SERVICE SCHEDULE NO. A-4.MILEAGE RATES:

Applicable to all individual and party line flat rate service outside the Primary Rate Area and inside the Exchange Area.

RATE:

Business or Residence Service	Monthly Rate per quarter mile or fraction thereof (Air Line Distance).
Individual Line,	\$0.50 per Line
Two - Party Line,	.35 per Primary Station
Four - Party Line,	.25 per Primary Station

CONDITIONS:

- (a) The charge for service under this rate is in addition to the regular charge for unlimited exchange service.

EXCHANGE SERVICE SCHEDULE NO. A-5.SUBURBAN SERVICE:

Applicable to suburban party line service of not more than ten (10) parties per circuit, outside the Primary Rate Area but within the Exchange Area.

RATE:

Rate per Station per Month.

Class of Service	<u>Business Service</u>		<u>Residence Service.</u>	
	<u>Wall Set</u>	<u>Desk Set</u>	<u>Wall Set</u>	<u>Desk Set</u>
Suburban Service, Zone 1	\$3.00	\$3.25	\$2.25	\$2.50
Suburban Service, Zone 2	3.50	3.75	2.75	3.00

CONDITIONS:

(a) A discount of twenty-five cents (\$0.25) will be allowed on all rates if paid on or before the tenth (10th) of the month.

(b) Bills for suburban service are mailed to subscribers quarterly, but may be paid monthly if the subscriber so desires.

EXCHANGE SERVICE SCHEDULE NO. A-13JOINT USER SERVICE:

Applicable to Joint User Service furnished within the Exchange Area.

RATE:

<u>Each Joint User Service in connection with</u>	<u>Rate per</u>
	<u>Month</u>
Business Unlimited Exchange Service	\$1.50

CONDITIONS:

1. The applicability of Joint User Service is determined by the obvious or actual use of the service.

2. The rate for Joint User Service includes a listing in the telephone directory and applies in addition to the rates and charges for the facilities and all other service provided. Joint User Service is furnished upon application of the subscriber as follows:

(a) Applications for the use of the subscriber's service by any individual, firm, company or association occupying jointly or in part the premises in which the Primary Station is located. The subscriber's facilities or service are not to be extended outside the premises to provide joint user service.

(b) Applications for the use of the subscriber's service for another business conducted by the subscriber and differing in character and subject to a different classification from that for which the facilities are provided.

(c) In the case of individuals, firms, companies or associations engaged in the same business or profession, utilizing a common reception room with offices opening thereon or adjoining thereto, one of the number may become the subscriber and the remainder joint users. If individuals or members of a firm, company or association file a joint income tax return, that will be accepted as sufficient evidence of a single business and joint user service is not applicable. Whenever any individual member of a firm, company or association does not substantially participate in the earnings of his fellow members of such firm, company or association, then that fact shall be conclusive evidence that he is a joint user and the joint user rate is applicable.

EXCHANGE SERVICE SCHEDULE NO. A-14.DIRECTORY LISTINGS:

Listings in the alphabetical section of the telephone directory are intended solely for the purpose of identifying the subscribers' telephone numbers as an aid to the use of telephone service. Telephone directories are furnished to subscribers to facilitate the use of the service and remain the property of the telephone company and may be collected upon the issuance of new directories. Subscribers are entitled, without additional charge, to listings in the alphabetical section of the directory as follows:

Individual Line Service,	1 listing
Party line Service, each primary station,	1 listing
Private Branch Exchange Service including Intercommunicating Systems, each trunk line,	1 listing

ADDITIONAL DIRECTORY LISTINGS:RATE:

	Rate per Month.
(a) Member of same firm and business, each listing,	\$0.25
(b) Any individual residing at a residence, listed at the residence, each listing,	0.25
(c) Listing of guest of hotel, each listing,	0.25
(d) Additional listing for a subscriber whose name may be spelled in more than one way, each listing,	0.25
(e) Any information in addition to a listing, each line,	0.25

CONDITIONS:

(a) Orders for additional listings must be signed by the subscriber of record, who becomes responsible for the charges therefor.

(b) The charges for additional listings begin with the day they are included in the information records, and when printed in the directory may not be discontinued until the end of the directory period unless the service of the subscriber is discontinued, except that the additional listing charge will not be continued longer than six months after it has appeared in the directory and has been ordered discontinued.

EXCHANGE SERVICE SCHEDULE NO. A-15.SUPPLEMENTAL EQUIPMENT.

	<u>Installation</u>	<u>Rate per Month</u>
Ordinary extension bell,	\$1.50	\$0.25
Loud ringing extension bell,	1.50	.35
Code signalling horn,	1.50	1.00

Telephone Company maintains only apparatus and facilities owned by it.

EXCHANGE SERVICE SCHEDULE NO. A-18SERVICE:

Applicable to the permanent connection together of two telephone lines at the request of the subscriber.

RATE:

	<u>Rate per Month</u>
Each Business Primary Station	Individual Line Bus. Rate
Each Residence Primary Station	Individual Line Res. Rate

CONDITIONS:

1. A discount is allowed on each of the above rates as provided in Exchange Service Schedule No. A-1.
2. All stations connected must be applied for by the same subscriber of record, and shall be for the use of such subscriber on his premises.
3. Under the above rates signalling, in accordance with the Company's standards, for the several stations, will be performed as requested by the subscriber.
4. In no case will more than four (4) stations be permanently connected under this schedule.
5. In cases where the actual or obvious use indicates that the station for which connection to a business primary station is requested is a business extension station, this schedule does not apply, but the regular business extension rate does apply.