

Decision No. 21750.**ORIGINAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of  
The Associated Telephone Company,  
a corporation, for a certificate  
authorizing the establishment of a  
separate exchange area and authorizing  
Applicant to publish, file and make  
effective rates for exchange and toll  
service in connection with such ex-  
change at New Westminster, California.

Application No. 15,769.

C. F. Mason and Ernest Irwin, for Applicant.  
L. W. Blodgett and Z. B. West, Jr., by L.W.  
Blodgett, Assistant District Attorney of  
Orange County for City of Huntington Beach  
and the community served outside thereof.

BY THE COMMISSION:

O P I N I O N

This is a proceeding in which The Associated Telephone Company (hereinafter at times referred to as Applicant or the Telephone Company) asks the Railroad Commission for authority to establish a separate telephone exchange at New Westminster with rates for exchange service therein and toll service to and from Huntington Beach.

Since the date of this application, The Associated Telephone Company amended its Articles of Incorporation, and, among other things, changed its corporate name to Associated Telephone Company, Ltd. The Commission in its First Supplemental Order, Decision No. 21493 in Application No. 15,494, on August 30th, 1929, gave recognition to this change in name of applicant.

A public hearing in this application was held by Examiner Gannon at New Westminster on September 25th, 1929, when the matter was taken under submission.

The territory proposed to be included in the new exchange area comprises the communities of Barber City, Westminster, New Westminster and Midway City and their vicinities, all in Orange County. These communities are some eight or ten miles from Huntington Beach and Santa Ana. At present this territory is a part of Huntington Beach Exchange Area with flat rate exchange telephone rates to Huntington Beach and toll interexchange rates to Santa Ana and other outside points. This section, until a few years ago, was entirely devoted to agriculture, but is now the location of the residential communities named above.

Testimony received at the hearing indicates that a number of the residents of Midway City and Westminster work in the oil fields at Huntington Beach, Long Beach and other cities, and shows that the requirement for telephone service to Huntington Beach is less than to Santa Ana or Long Beach.

The telephone service now being received in this section is mostly ten-party suburban which, although satisfactory at one time, does not now meet the requirements of the business and residential public.

Expert testimony was heard relative to the most reasonable method of improving these telephone service conditions. It was admitted that improved service could be furnished in this territory by using larger sized open wire or loaded cable and with switching performed in Huntington Beach as at present. Such a plan appears to be impractical on account of high cost. A second

plan would be to establish a central office in the proposed exchange area with a trunk group to the Huntington Beach switchboard and with no trunking charge. This would result in indiscriminate and unlimited use of the inter-section trunks for the benefit of a minority of telephone users as shown by testimony.

It appears that the application plan will best meet the requirements of the public in this section, and on the most economical basis with resultant favorable rates.

It is proposed to establish the common boundary line between the new exchange and Huntington Beach Exchange as an east and west line five hundred feet north of Smeltzer Road. There was some objection to this boundary location but, as no better location was suggested and this appears reasonable, it should be accepted. The primary rate area or base rate area proposed by applicant includes the more built up sections and appears reasonable.

Prior to the filing of the application in this matter, a petition, setting forth certain rates proposed for telephone service in the new exchange, was circulated in this section and was signed by a considerable number of subscribers and non-subscribers. In its Exhibit No. 4, presented at the hearing, the Telephone Company offered proposed rates for exchange service which are in general 25¢ per month less than similar rates in the petition. These lower rates appear reasonable for the service offered.

Applicant proposes to operate the toll telephone service between the Westminster Exchange and the Huntington Beach Exchange, where connection would be made with the toll lines of The Pacific Telephone and Telegraph Company and

United States Long Distance Telephone and Telegraph Company for service to other points. The proposed toll rates include a ten cent rate to Huntington Beach, no change in the rate from this area to Santa Ana, and some reductions to Long Beach, Anaheim, Whittier and other points. The toll rate plan proposed is that which is now generally effective throughout the State of California.

Full consideration has been given to the evidence received in this proceeding, the greater part of which was favorable to the granting of the application and it is our conclusion that a separate exchange should be established in the proposed exchange area with toll rates to other exchanges and toll points.

In reaching this conclusion we are not unmindful of evidence submitted which indicated that the Telephone Company in the past did not fully meet its public utility obligations to furnish adequate telephone service in the area under consideration. Applicant will be expected to establish better public relations for the future and to promptly install any type of telephone service offered by it, and thereafter give due diligence to the maintenance of its plant and facilities.

#### O R D E R

The Associated Telephone Company, which by amended Articles of Incorporation, changed its name to Associated Telephone Company, Ltd., having made application to the Railroad Commission for authority to establish a separate telephone exchange at New Westminster, Orange County, California, and to make effective rates for exchange telephone service therein, and rates for toll service between the proposed exchange and Huntington Beach, a public hearing having been held in the proceeding and the matter having been submitted for decision,

The Railroad Commission of the State of California hereby finds as a fact that public convenience and necessity require the establishment of a separate telephone exchange at New Westminster by Associated Telephone Company, Ltd., and basing its order on the foregoing finding of fact and such other findings of fact as appear in the opinion which precedes this order,

IT IS HEREBY ORDERED that Associated Telephone Company, Ltd., shall:

(1) Establish and place in operation within eight (8) months from and after the date of this order an Automatic or dial system telephone exchange at New Westminster, Orange County with continuous twenty-four (24) hour service in an exchange area and with a primary rate area as shown on a map in applicant's Exhibit No. 3 presented at the hearing herein.

(2) Establish rates for local exchange telephone service in the proposed exchange as set forth in Exhibit "A" attached hereto, and such other exchange telephone rates as may be approved, effective on and after the date of the establishment of said exchange.

(3) a. Establish toll telephone service between the Westminster Exchange and the Huntington Beach Exchange at rates set up on the basis generally used in the State of California, effective on and after the date of the establishment of Westminster Exchange.

b. Make the necessary arrangements with the Company or Companies now furnishing toll telephone service between the Huntington Beach Exchange and outside points for toll telephone service between Westminster Exchange and toll points outside of the present Huntington Beach Exchange at rates set up on the basis generally used in the State of California, effective on and after the date of the establishment of the proposed exchange.

(4) Submit to the Railroad Commission for filing, maps showing exchange and primary rate areas, exchange telephone rates, toll rates, rules and regulations governing telephone service in Westminster Exchange as referred to in (1), (2) and (3)a above, on or before the tenth day immediately preceding the date of the establishment of said Exchange.

(5) Discontinue all Huntington Beach local exchange telephone service in the Westminster Exchange Area as of the date of the establishment of the proposed Exchange.

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 5<sup>th</sup> day of November, 1929.

W. S. Lott

C. L. Seaver

E. M. Wood

Leon A. Whittell

W. P. Am

Commissioners.

EXHIBIT "A"

RATES

EXCHANGE SERVICE SCHEDULE NO. \_\_\_\_\_.BUSINESS AND RESIDENCE SERVICEINDIVIDUAL AND PARTY LINEWESTMINSTER.SERVICE:

Applicable to Business and Residence Individual Line and Party Line flat rate service furnished within the Primary Rate Area of the Westminster Exchange.

RATE:(1) Business Flat Rate Service Rate Per Month

Each Individual Line Desk Set Station,	\$3.50
Each Four Party Line Desk Set Station,	2.75
Each Extension Desk Set Station,	1.25*

(2) Residence Flat Rate Service Rate Per Month

Each Individual Line Desk Set Station,	\$2.75
Each Four Party Line Desk Set Station,	2.00
Each Extension Desk Set Station,	1.00*

Each Wall Set Station - desk set station rate,  
less \$.25 per month.

Each Hand Set Station - desk set station rate,  
plus \$.25 per month.

CONDITIONS:

(1) Individual line and party line services will be furnished outside the Primary Rate Area and within the Exchange Area at the above rates and mileage rates.

(2) Extension stations at the above rates are installed on the premises on which the primary station is located. The above rates plus mileage rates are applicable to off-premises extension stations.

(3) A discount of twenty-five (25) cents is allowed on all rates except those marked with a (\*) if payment is made on or before the tenth of the month.



EXCHANGE SERVICE SCHEDULE NO. \_\_\_\_\_SUBURBAN SERVICEWESTMINSTERSERVICE:

Applicable to Suburban Ten-Party Line flat rate service furnished in the Suburban Area of the Westminster Exchange.

RATE:

	<u>Rate Per Month</u>	
	<u>Business Service</u>	<u>Residence Service</u>
Each Suburban Ten-Party Line Desk Set Station, . . . . .	\$3.25	\$2.50
Each Wall Set Station - desk set station rate less \$.25 per month.		

CONDITIONS:

(1) Suburban service is furnished outside the Primary Rate Area and within the Exchange Area. In no case will the total number of primary stations connected to one circuit exceed ten (10) stations.

(2) A discount of twenty-five (25) cents is allowed on the rate for suburban service if payment is made on or before the tenth day of the month.

TOLL SERVICE SCHEDULE NO. \_\_\_\_\_INTEREXCHANGE TELEPHONE SERVICESERVICE:

Applicable to Interexchange Telephone Service between Westminster and Huntington Beach.

RATE:

1. Station-to-Station Service:
  - Initial Rate, five minutes or less - per message, \$.10
  - Overtime Rate, each additional three minutes or fraction, .05
2. Person-to-Person Service:
  - Initial Rate, three minutes or less - per message, .15
  - Overtime Rate, each additional one minute or fraction, .05
  - Report Charge, .05
3. Appointment and Messenger Service:
  - Initial Rate, three minutes or less - per message, .20
  - Overtime Rate, each additional one minute or fraction, .05
  - Report Charge, .05

CONDITIONS:

(1) Rates for service between the above points are determined in accordance with the terms and conditions of Order No. 2495 and Order No. 2797 of the Postmaster General of the United States.

BETWEEN WESTMINSTER AND OTHER TOLL POINTS

Rates for service to and from other exchanges and toll stations are in accordance with the schedules of connecting companies.

SERVICE SCHEDULE NO. \_\_\_\_\_.

OTHER SERVICE

WESTMINSTER

Other rates and charges as may be approved.