

Decision No. 21990.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the Matter of the Investigation on the Commission's own motion into the rates, tolls, rentals, charges, classifications, rules, regulations, practices, contracts, operations, compliance with General Orders, service, or any of them, of A. S. BRYANT, operating under the fictitious name and style of BRIDGEPORT TELEPHONE AND TELEGRAPH COMPANY.

Case No. 2761.

A. S. Bryant, for Bridgeport Telephone and Telegraph Company.
 Robert L. Currie, for the General Public.
 L. D. Riley, for Yerington Electric Company, interested party.

BY THE COMMISSION:

O P I N I O N

In this proceeding the Railroad Commission, on its own motion, after informal request for such action by the Mono County Grand Jury, instituted an investigation into the operations of A. S. Bryant, operating under the fictitious name and style of Bridgeport Telephone and Telegraph Company.

A public hearing was held in this matter before Examiner Williams at Bridgeport, on October 25, 1929.

A. S. Bryant, operating the telephone utility, began operations about thirty years ago in Bridgeport, county seat of Mono County. Telephone lines have been extended from time to time as required, and now defendant company has telephone and telegraph lines between Bridgeport and Mono Lake, Bridgeport and

Coleville, all in Mono County, and between Bridgeport and Yerington, Nevada. The Company at present has approximately one hundred and seventy-five miles of magneto-operated lines through sparsely settled, mountainous and desert country, with a total of twenty-four connected subscribers' stations, six of which are United States Forest Service stations returning no revenue to the Company. Certain "Farmer Lines" or subscriber-owned lines are connected, from time to time, at Bridgeport, without proper compensation to the Company.

An engineering investigation of the operations of the Company and an inventory and appraisal of its telephone properties were made by this Commission. The following elements of value were found as of September 30, 1929:

| | |
|---|-----------|
| Historical Reproduction Cost, | \$16,741. |
| Reproduction Cost New, | \$21,993. |
| Reproduction Cost New, Less Depreciation - Straight Line, | \$9,743. |
| Reproduction Cost New, Less Depreciation - 5% Sinking Fund, | \$12,841. |

Mr. F. V. Rhodes of the Commission's Engineering Staff made a detailed study and report on the operations of the Company. It was found that service in general and maintenance were poor, the application of the rates, rules and regulations was discriminatory, and that no accounting procedure was in effect. Although this grade of service may have been satisfactory to the public a few years ago, it does not meet the needs of the public at this time.

Revenues from all sources have not been adequate to meet operating expenses, apparently due to the small use of the service

on account of poor quality and inadequacy.

The present rate schedules provide a flat rate charge of \$4.00 per month per subscriber station whether located inside or outside the town of Bridgeport, and with free service over the entire system of the Company. The Commission's engineer recommended that certain restrictions be made in the service allowed with the present rate and that a charge of 50¢ per message be authorized for messages to stations on other lines outside Bridgeport.

It was estimated that under the rates and conditions of service proposed by Mr. Rhodes, and following the complete rehabilitation of the utility's lines and system, the annual revenues from all utility service would amount to \$4,284.00, with estimated minimum expenses of \$3,600.00 per year, leaving \$684.00 for a return on the investment. This will be a return of 4 per cent on the estimated historical cost of the property.

The Company and the Mono County Grand Jury were given thirty (30) days following the date of the hearing in this matter to consider the recommendations made by the Commission's engineer and to notify the Commission of their attitudes regarding the proposals. A reply made over the signatures of the directors of the Mono Chamber of Commerce was in the nature of a resolution which severely criticised the present telephone and telegraph service in Mono County and prayed for this Commission's "assistance in solving this, a most difficult and unsatisfactory condition." No constructive suggestion was offered. The Company's reply was a denial of many of the contentions of the resolution of the Mono Chamber of Commerce, but with an admission of inadequate service and with

plans to carry out the recommendations of the Commission's engineer.

The order following will require the establishment of a Bridgeport Exchange Area, a Bridgeport Rate Area, and the filing of rates for exchange telephone, toll, and telegraph service, and rules and regulations governing the service and the application of the rates.

The record is convincing that the insufficiency of this utility is caused by the poor management of its owner. He could produce no books, accounts or vouchers to verify his business, a most inexcusable lapse in duty under the law, which must be corrected. He has not provided facilities sufficient to meet the needs of the public.

If this utility will do its share in making its service what the public has a right to expect, the rates provided herein will be put in force for its benefit, and, in our opinion, these rates will be fair to the utility and to the public.

O R D E R

The Railroad Commission of the State of California, having instituted an investigation of the operations of A. S. Bryant, operating under the fictitious name and style of Bridgeport Telephone and Telegraph Company, a public hearing having been held, the matter having been submitted, and now being ready for decision,

The Railroad Commission hereby finds as a fact that not later than June 1, 1930, A. S. Bryant should improve and augment his telephone and telegraph facilities and service in accordance with recommendations of record in this proceeding.

It is hereby further found as a fact that the rates now charged by A. S. Bryant would be unjust and unreasonable in the event good and adequate telephone and telegraph service be established and that the rates and charges set forth in Exhibit "A" will be just and reasonable rates under said conditions.

Basing its order on the foregoing findings of fact and on such other findings of fact as appear in the opinion which precedes this order,

IT IS HEREBY ORDERED that A. S. Bryant, operating under the fictitious name and style of Bridgeport Telephone and Telegraph Company, with diligence shall on or before June 1, 1930, improve and augment his telephone and telegraph facilities for service in substantial compliance with the recommendations contained in Exhibit No. 2 filed at the hearing in this proceeding, and

IT IS HEREBY FURTHER ORDERED that A. S. Bryant, after a showing to the Railroad Commission that he has established improved telephone and telegraph service in accordance with the recommendations of record in this proceeding and upon Supplemental Order from the Railroad Commission, may file and make effective rates for service in accordance with the schedules set forth in Exhibit "A" 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 7th day of

January, 1930.

Thomas J. Larkin
W. J. Larkin
George W. Larkin
Leon Whelan
W. J. Larkin

Commissioners.

EXHIBIT "A"

RATES

EXCHANGE SERVICESCHEDULE NO. A-1SERVICE:

Applicable to Individual and Four-Party Line business and residence flat rate service furnished within the Bridgeport Rate Area.

RATE:

| | <u>Rate per Month</u> | |
|---|-----------------------|------------------|
| | <u>Business</u> | <u>Residence</u> |
| Each individual line station, wall set, | \$2.50 | \$2.00 |
| Each four-party line station, wall set, | 2.00 | 1.50 |

CONDITIONS:

Subscribers to individual and four-party service at the above rates are entitled to switching service to stations located within the Bridgeport Rate Area without message charges.

EXCHANGE SERVICESCHEDULE NO. A-2SERVICE:

Applicable to Suburban Party Line service furnished in the suburban area of the Bridgeport Exchange Area.

RATE:Rate per Month

Each station, business or residence, wall set \$4.00

CONDITIONS:

(1) Suburban service is furnished outside the Bridgeport Rate Area but within the exchange area.

(2) A subscriber to suburban party line service at the above rate is entitled to switching service to all other stations on the same line and to all stations located within the Bridgeport Rate Area without message charges.

EXCHANGE SERVICESCHEDULE NO. A-3SERVICE:

Applicable to Farmer Line service furnished in the suburban area of the Bridgeport Exchange Area.

RATE:

| | <u>Rate per Month</u> |
|---|-----------------------|
| Each Farmer Line Station, | \$0.50 |
| The minimum charge is \$2.50 per circuit per month. | |

CONDITIONS:

(1) The Company installs, owns and maintains at its expense the necessary central office equipment and service, and line facilities, to the boundary of the Bridgeport Rate Area.

(2) The subscriber installs, owns and maintains at his expense the necessary facilities from the boundary of the Bridgeport rate area to the subscriber's telephone, the complete telephone, protector and battery.

(3) The subscriber to service at the above rate is entitled to switching service to all other stations on the same line and to all stations located within the Bridgeport Rate Area without message charges.

TOLL SERVICE

SCHEDULE NO. B-1

SERVICE:

The following rate is applicable to toll message service within the Bridgeport Exchange Area.

RATE:

Each message.....\$0.50

CONDITIONS:

(1) The above rate is applicable to each message from any Company or Farmer Line station located outside the Bridgeport Rate Area but within the Bridgeport Exchange Area, to any station on any other Company line or Farmer Line located outside the Bridgeport Rate Area and within the Bridgeport Exchange Area.

(2) The above rate is applicable to each message from stations located within the Bridgeport Rate Area to any station on any Company line or Farmer Line located outside the Bridgeport Exchange Area.

(3) The above charges apply to all kinds or classes of message.

(4) The charge applicable to toll service between any Company or Farmer Line station located within the Bridgeport Exchange Area and any point on the lines of connecting companies is the sum of the rate quoted by the connecting Company for service between the point of connection with Bridgeport Telephone and Telegraph Company lines and the point on the connecting line plus fifty (50) cents.

TELEGRAPH SERVICE

SCHEDULE NO. C-1.

SERVICE:

Applicable to telegraph service between any two points on the Company's system, and between any point on the Company's system and points outside the Company's system.

RATES:

| | |
|--|--------|
| Each ten-word telegram between points on the Company's system, | \$0.30 |
| Each additional word, | 0.025 |

CONDITIONS:

(1) The above charges apply to all kinds and classes of telegraph messages.

(2) The charge applicable to telegraph service between any Company or Farmer Line station on the Company's system and any point on the lines of connecting companies is the sum of the rate quoted by the connecting company for service between the point of connection with Bridgeport Telephone and Telegraph Company lines and the point on the connecting line plus the above rate.