

Decision No. 23597.**ORIGINAL**

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
 SANTA BARBARA TELEPHONE COMPANY, a
 corporation, for authority to adjust
 and change rate schedules and ser-
 vice and to increase rates in the Los
 Alamos Exchange Area.

Application No. 17214.

Chickering and Gregory, by W. C. Fox,
 for Santa Barbara Telephone Company.

BY THE COMMISSION:

O P I N I O N

Applicant, Santa Barbara Telephone Company, operating a telephone system in Santa Barbara County, California, herein requests authority to increase certain rates for telephone service in its Los Alamos Exchange.

The matter was taken under submission at a public hearing held before Examiner Satterwhite at Los Alamos on March 18, 1931.

At present applicant's thirty-six subscribers receive service from a manual magneto central office generally from 7:00 A.M. to 3:30 P.M. It is proposed to install a modern automatic system with twenty-four hour continuous service, full selective signalling, complete information and referred service, and prepayment coin-box service. The rates which the Company desires to increase, and the proposed rates, are as follows:

	Rate per Month			
	Business Service		Residence Service	
	<u>Present</u>	<u>Proposed</u>	<u>Present</u>	<u>Proposed</u>
Individual line desk set station,	\$2.75	\$3.25	\$2.25	\$2.50
Two-party line desk set station,	2.25	2.75	2.00	2.25
Four-party line desk set station,	-	-	1.75	2.00
Semi-public coin-box service desk set station, minimum charge,	3.25	3.75	-	-

Each wall set primary station - desk set station rate less \$.25 per month.

It is our opinion that two-party line residence service should be discontinued with the establishment of the new service arrangements, for the reasons that there are but two subscribers to this grade of service at the present time, and, individual and four-party line residence service will properly meet the requirements of the public in this small exchange area in an economical manner.

D. A. Sattler, Secretary and General Manager for Applicant, gave testimony and introduced in evidence as exhibits, tables setting forth the amount of fixed capital and net earnings of the Company as they appear on the books, a table showing the fixed capital of the Los Alamos Exchange as of January 31, 1931 as \$9,900.62 and estimated fixed capital for the first year of the new service as \$13,666.93, and a table showing the net income from the Los Alamos Exchange for the year 1930 as a loss of \$356.13 and estimated net income loss for the first year under automatic operation as \$323.64. A petition, signed by a majority of the Los Alamos subscribers, agreeing to the rate increase proposed, was presented in evidence.

The proposed rates are comparable with those effective

for similar service in other exchanges of similar size and operating conditions, and will not result in any considerable difference in net income from the Los Alamos Exchange. No objection to the change in service or rates has been received.

O R D E R

Santa Barbara Telephone Company having made application to the Railroad Commission for authority to increase certain rates for telephone service in its Los Alamos Exchange Area, a public hearing having been held, the matter having been submitted and being ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY FINDS AS A FACT that the present rates for telephone service in the Los Alamos Exchange Area would be unjust and unreasonable for telephone service under automatic operation with twenty-four (24) hour continuous service as proposed by Santa Barbara Telephone Company, and that the proposed rates (except for two-party residence service which should be discontinued) set forth in the opinion which precedes this order should be authorized and made effective for such improved service, and,

Basing its order on the foregoing findings of fact and conclusions which may appear in the opinion preceding this order,

IT IS HEREBY ORDERED that Santa Barbara Telephone Company, on or before October 1, 1931, shall replace its Los Alamos manual magneto system with an automatic system with twenty-four (24) hour continuous service.

IT IS HEREBY FURTHER ORDERED that Santa Barbara Telephone Company, after a showing to the Railroad Commission that it is ready to make available in its Los Alamos Exchange Area, continuous automatic service as proposed, and, upon Supplemental

Order by the Railroad Commission, may file and make effective rates for telephone service in its Los Alamos Exchange Area as set forth and modified in the opinion preceding this order.

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 13th day of April, 1931.

Cl. Scammy

Leon Whitwell

W. A. Lane

W. B. Harris

Fred G. Stearns

Commissioners.