

Decision No. 24725.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the Matter of the Application of
THE PACIFIC TELEPHONE AND TELEGRAPH
COMPANY for an order to adjust rates
at its Gonzales exchange in connection
with increasing the hours of service.

Application No. 18034.

James G. Marshall, for The Pacific Telephone
and Telegraph Company.

BY THE COMMISSION:

O P I N I O N

The Pacific Telephone and Telegraph Company, a corporation, operating a telephone and telegraph business in California and other states, herein requests authority to make effective in its Gonzales Exchange certain increased rates for telephone service coincident with an increase in the hours of service.

A public hearing in this application was held before Examiner Satterwhite at Gonzales on April 14, 1932, when all interested subscribers were given an opportunity to be present and to be heard and the matter was submitted for decision.

Telephone service to 176 magneto telephones located in the town and surrounding territory is furnished from the Gonzales Exchange between the hours of 7 A.M. and 10 P.M. daily. It is proposed to extend the availability of service to 24 hours daily.

G. P. Wallick, Division Manager, Commercial Department of applicant company, placed in evidence certain facts and figures

relating to the value, revenues and expenses of the exchange. The average plant in service during the year 1931 was \$14,912.00 and is estimated to be \$16,000.00 for the first year after the introduction of 24-hour continuous service. The books of the utility show that it failed by \$1,098.25 of meeting its operating expenses in the Gonzales Exchange and that no return was made on its investment. It is estimated that the balance net revenue for the first year of continuous 24-hour service will be \$160.00.

The rates which the utility desires to increase and the rates proposed are as follows:

	Rate Per Month	
	Present Hours of Service 7 A.M. to 10 P.M. Daily	Proposed Hours of Service Continuous
Business Flat Rate Service:		
Each individual line desk set station	\$2.75	\$3.00
Each two-party line desk set station	2.25	2.50
Residence Flat Rate Service:		
Each individual line desk set station	2.25	2.50
Each two-party line desk set station	2.00	2.25
Each four-party line desk set station	1.75	2.00
Each wall set station - desk set station rate less \$.25 per month		
Each hand set station - desk set station rate plus \$.25 per month		

Evidence presented at the hearing showed that each subscriber to Gonzales exchange service, whose charges for service would be affected if the application is granted, had signed a card agreeing to the proposed increase in rates and service. No proposal was made that rates and charges for service other than those tabulated above be changed, and we believe that the rate changes authorized in this proceeding should be limited to those set forth above.

The proposed increase in rates appears reasonable for the increased availability of service desired by the public and the proposed level of rates will not be unreasonably high for the Gonzales Exchange.

O R D E R

The Pacific Telephone and Telegraph Company having made application to the Railroad Commission for authority to increase certain rates for telephone service in its Gonzales Exchange, a public hearing having been held, the matter having been taken under submission and being ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby finds as a fact that The Pacific Telephone and Telegraph Company should increase the hours of service and certain rates for service, as stated in the Opinion which precedes this Order, in its Gonzales Exchange, and

Basing its Order on the foregoing findings of fact and such other statements of fact and conclusions which appear in the Opinion preceding this Order,

IT IS HEREBY ORDERED that The Pacific Telephone and Telegraph Company is authorized to make effective for service on and after May 1, 1932, in its Gonzales Exchange, the proposed rates set forth in the Opinion which precedes this Order, provided,

1. Full twenty-four (24) hour continuous service is furnished on and after May 1, 1932.
2. All other rates and charges for service in the Gonzales Exchange will not be affected by this Order.
3. The schedules of rates herein ordered are submitted for filing on or before April 30, 1932.

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 25th day of April, 1932.

CL Seaver
Leon C. Williams
M. A. Carr
W. B. Harris
Frederic G. Alderson
 Commissioners.