

Decision No. 11308

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of)
KERMAN TELEPHONE COMPANY for a re-)
hearing affecting decision No. 10905) Application No. 7807
denying application of the Kerman)
Telephone Company for a certificate)
of "Public convenience and necessity".)

W. J. Palethorpe for Applicant.
F. L. McNally for Pacific Telephone
& Telegraph Co.
A. L. Baker for various people of
Biola and vicinity, protestants.

BY THE COMMISSION:

OPINION ON REHEARING.

A public hearing was held by Examiner Westover at Fresno upon application of Kerman Telephone Company for a rehearing filed subsequent to Decision No. 10905 of August 24, 1922, in which the Commission denied its above entitled application upon the ground that public convenience and necessity do not require that it furnish telephone service in and about Biola, Fresno County.

The application for rehearing alleges that Kerman, where applicant's exchange is located, and Biola, about 5-1/2 miles distant by air line, are in a community which is substantially a unit in the matter of distribution of irrigation water and in the production, packing, and marketing of fresh and dried fruits and raisins; in the matter of business and trade; and in the administration of justice; and that applicant entered the Biola territory in good faith, although without authority, and has made considerable investment there.

Applicant urges that the decision complained of will result in forcing telephone users in these communities to pay telephone tolls in addition to monthly rates.

The principal ground of the decision complained of is expressed in the opinion as follows:

"It appears from the testimony of protestants that more adequate and satisfactory service can be provided by a local exchange established by The Pacific Telephone and Telegraph Company than is the present service of applicant, or than the service which applicant proposes to provide, * * * * * and that the cost of service provided by such local exchange of the Pacific Company will be less than the cost of the service which applicant proposes to provide. * * * * * It is applicant's plan * * * * * to serve this territory by lines extending from its Kerman exchange. Under such plan applicant's rates, except for suburban service, to which protestants object as being inadequate and unsatisfactory, would be very considerably higher than the Pacific Company's rates."

Adequate 1-2 - or 4-party service if furnished in this community by applicant under its present mileage rates added to its present base rates would result generally in far higher charges than those offered by the Pacific Company for similar classes of service rendered through its proposed Biola exchange.

It further appeared that applicant would plan to eventually establish exchange service for Biola and incidentally charge toll rates between Biola and Kerman. It appears that Biola is a rapidly growing community and will require local exchange service in the not distant future.

While the Pacific Company did not and does not protest the application and has not at any stage of the proceeding urged its claims upon the territory, but has instead signified a willingness to withdraw in favor of applicant, nevertheless it appears from the testimony that 79 residents of Biola and vicinity petitioned that company to establish local and long distance telephone service, agreeing to subscribe for the class of service indicated

opposite the names of most of the petitioners. Eight of applicant's seventeen subscribers in Biola joined in this petition.

As was pointed out in the original decision The Pacific Company expresses its willingness to reimburse applicant for expenditures already made for extensions into the Biola territory in so far as these extensions are capable of being used by The Pacific Company.

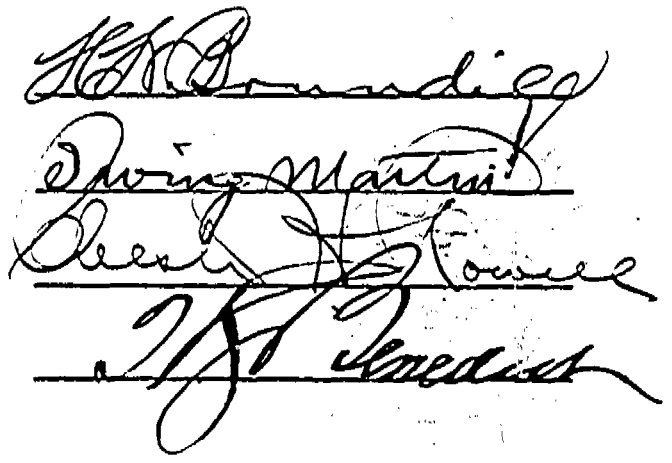
The testimony presented upon rehearing fails to show that the original decision should be modified in any particular.

ORDER

Kerman Telephone Company having petitioned the Commission for a rehearing subsequent to Decision No. 10905 of August 24, 1922, such rehearing having been granted and further testimony taken and the matter again submitted by applicant, and such additional testimony having been considered in connection with the testimony presented at the first hearing,

IT IS HEREBY ORDERED that Application No. 7807 of Kerman Telephone Company for certificate that public necessity and convenience require it to furnish telephone service in and about Biola, Fresno County, be and it is hereby denied.

Dated at San Francisco, California, this 5th day of December, 1922.


The block contains four handwritten signatures, each written over a horizontal line. The signatures are in cursive and appear to be: 1. H. B. ... 2. Irving Martin 3. ... 4. J. ...

Commissioners.