Decision No.____

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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Case No. 621.

Decision No.2601

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City of Redlands, a municipal corporation of the sixth class,

Complainant,

Vs.

Southwestern Home Telephone Company, a corporation,

Defendant.

F. A. Leonard, for City of Redlands. Edgar G. Pratt, for Defendant.

GORDON, Commissioner.

<u>O P I N I O N</u>

This is a complaint brought by the City of Redlands, calling into question the reasonableness of the rates and certain rules and regulations of Southwestern Home Telephone Company for telephone service in the City of Redlands and territory served from said City, and asking that the Railroad Commission fix and establish rates for such service and establish such rules as may be proper.

After numerous delays the case came to a hearing in the City of Redlands on July 12, 1915. At the hearing counsel for the city stated that the city was not prepared to present evidence in support of the allegation that the defendant's rates are unreasonable, or to show what rates it considers would be reasonable, but that it looks to the Railroad Commission to make such investigation and present such evidence as may be necessary to show whether or not the present rates are unreasonable, and if found to be so to establish proper rates. Counsel agreed, however, that if it were shown that the defendant is not now earning in excess of 8% net on its reasonable investment in its Redlands plant, it will ask that this complaint be withdrawn.

This defendant has gone to great expense and trouble in preparing and presenting to the Commission a complete inventory and appraisal of its plant, as well as statements of its revenues and expenses and such other data as was required by the Commission in its investigation. The Commission has carefully and thoroughly examined all of this data and appraised the defendant's property in Redlands. The Commission's telephone engineer has testified that this defendant is not now earning 8% or even 7% net, whereupon the complainant asks that this complaint be withdrawn. The following form of order is accordingly recommended.

ORDER

Complaint having been made by City of Redlands, a municipal corporation of the sixth class, complainant, vs. Southwestern Home Telephone Company, a corporation, defendant, calling into question the reasonableness of defendant's rates, rules and regulations for telephone service in the City of Redlands, and asking that the Railroad Commission fix and establish proper rates, rules and regulations for said service, and a hearing having been had, and the said complainant, through its counsel, having asked that this complaint be withdrawn,-

IT IS HEREBY ORDERED that the complaint herein be and it is hereby dismissed without prejudice.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 15th day of July, 1915.

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