

ORIGINAL

Decision No. 375

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of the Roseville Home Telephone Company for permission to raise their "rental charge on farmers' lines from 25 cents per month to 50 cents per month".) Application No. 123.

L. L. King, For the Telephone Company.
G. M. Hannish,

OPINION

Gordon, Commissioner.

This application is for permission to raise the monthly rental for telephone service on certain farmers' lines operated by the Roseville Home Telephone Company, Roseville, Placer County, California.

Thirteen stations are concerned in the proposed raise, involving a prospective increased revenue of \$39.00 per year. The testimony discloses the fact that the Roseville Home Telephone Company is a corporation which took over the responsibilities of telephone service in and about Roseville from The Pacific Telephone and Telegraph Company. It is apparent that the system as conducted by the local company gives a more comprehensive service and is likewise more expensive in operation from the standpoint of service, plant, and equipment, with particular reference to the item of substations, than under the administration of the larger company.

If these facts only were considered, there would appear to be reason in the petition of this company for an advance of the farmer line rate now under consideration.

The Roseville Home Telephone Company is operating

an exchange of approximately 159 stations, and the rate applying for the so-called farmer line service is in accord- with the usual rate throughout the State, although under circumstances somewhat different than are usual. While the local conditions offer some justification for alteration in this case, it would appear that this is not the principal source of difficulty. The Company has not sought relief primarily in the right direction.

There is no reason why unreasonable burdens due to the operating conditions of public utilities should arbitrarily be shifted to rate payors, and it is incumbent on the telephone companies to correct such difficulties in order that they may not be a factor in any alleged necessity for increased rates. I therefore, recommend the following order.

O R D E R

Roseville Home Telephone Company of Roseville, Placer County, California, having applied to this Commission for permission to increase the telephone rates charged on certain so-called farmer lines served from the Roseville ex- change, alleging that such increase was necessary in order that the company might receive an adequate income, and a public hearing having been held upon this application and it appearing from the evidence introduced at the hearing and from an investigation by the Commission that the difficulty which is the basis of this application is primarily traceable to operating conditions.

IT IS HEREBY ORDERED that the Roseville Home Tele- phone Company be denied permission to raise the rates as re- quested in the application in this proceeding.

The order of this Commission in this proceeding

must not be taken either as an approval of the existing farmer
line rates of applicant.

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 30th day
of December, 1912.

John M. Eshleman
H. D. Morrison
Alex Gordon
Elwin D. Chapman
Commissioners