

Decision No. 7311

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of
SOUTHERN CALIFORNIA TELEPHONE COMPANY
for a modification of Decision No. 3845
in Application No. 2227.

Supplemental
Application No. 2227

James T. Shaw and H. D. Pillsbury, for
Southern California Telephone Company.

Jess. E. Stephens,
Chas. S. Burnell, and
H. Z. Osborne, Jr., for the City of Los Angeles.

EDGERTON, Commissioner.

SECOND SUPPLEMENTAL OPINION

On November 4, 1916, the Railroad Commission issued its Decision No. 3845 in Application No. 2227 entitled, "In the Matter of the Application of Southern California Telephone Company for an order authorizing the issue of capital stock and bonds, the execution of a deed of trust, the purchase of property, and the operation of various franchises; of Home Telephone and Telegraph Company for an order authorizing the sale of its property to Southern California Telephone Company; of Sunset Telephone and Telegraph Company for an order authorizing the sale of a portion of its property to The Pacific Telephone and Telegraph Company; and of The Pacific Telephone and Telegraph Company for an order authorizing the sale of a portion of its property to Southern California Telephone Company and the acquisition of capital stock of Southern California Telephone Company", granting said application under certain conditions. Condition (b) of this decision provides as follows:

"(b) That, except in special cases to be passed upon until further notice in each instance by the Railroad Commission, Southern California Telephone Company will install for each subscriber, present and future, the type of telephone station, whether automatic or manual, desired by the subscriber, and in its solicitation for business and in all other respects will act with absolute impartiality as between the automatic and the manual telephone stations."

In this supplemental application, Southern California Telephone Company sets forth that said Condition (b) has, through subsequent development, become inapplicable to the effective and economical administration of telephone service equipment and facilities in and about Los Angeles, and asks for an immediate review of Decision No. 3845 to the end that the now obsolete condition herein referred to may be modified, making it possible for applicant to most effectively, efficiently and economically administer telephone service equipment and facilities in and about the city of Los Angeles and for such other and further relief as, upon such review, may be found meet and proper.

A public hearing was held in Los Angeles on February 16, 1920. Since this hearing was held, Ordinance No. 39909 N.S. was passed by the Mayor and Council of the city of Los Angeles, amending Section 7 of Ordinance No. 35474 N.S., under which Southern California Telephone Company is operating, the amended Section 7 provided for in Ordinance No. 39909 N.S. to read as follows:

"In the installation of subscriber stations, the Southern California Telephone Company shall have the right to determine whether each installation shall be automatic or manual in accordance with the best and most efficient use of the system; provided, however, that no policy of making installations shall be pursued which will interfere with or prevent the eventual making of said system into a complete automatic system; and provided further that said company shall have no power to arbitrarily remove any automatic telephones theretofore installed."

Southern California Telephone Company states that, as a result of difficulty which it is experiencing in obtaining necessary

material and equipment, due to the abnormal demand made upon the manufacture of material and equipment brought about as a result of the war, it has been for some time and is now unable to make prompt installations of telephones and that, in a great measure, this condition will eventually be relieved if the restrictions now placed upon it by Condition (b), hereinabove referred to, are removed. It states further that in keeping pace with modern improvements in the type of telephone equipment, the manual telephones formerly employed are gradually being replaced by automatic telephones and that practically its entire equipment in the city of Los Angeles will eventually be automatic equipment.

The Railroad Commission has carefully considered all of the facts in this case and is of the opinion that this application should be granted.

FIFTH SUPPLEMENTAL ORDER

Southern California Telephone Company having applied to the Railroad Commission for a modification of Decision No. 3845 in Application No. 2227, issued by the Railroad Commission on November 4, 1916, referred to in the Supplemental Opinion preceding this Supplemental Order, and a hearing having been held and the Commission being of the opinion that this application should be granted,

IT IS HEREBY ORDERED that Decision No. 3845, issued on November 4, 1916, be and it is hereby amended by eliminating Section (b) thereof, referred to in the preceding Supplemental Opinion.

PROVIDED, that in all other respects said Decision No. 3845

shall continue in full force and effect.

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 27th day of March, 1920.

Edwin O. Edgerton

Frank R. Sullivan

Dwight Martin
Commissioners.