

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of)	
The Pacific Telephone & Telegraph)	
Company to withdraw from certain)	
territory, and Louis Evans to con-)	Application No. 448
struct, operate and maintain a tele-)	
phone system in the said same)	
territory.)	

H. A. Johnson, for the Pacific Telephone & Telegraph Company.

Luther P. Spaulding, for Louis Evans and the Graham Farm Lands Company.

GORDON, Commissioner.

O P I N I O N

This is an application involving the withdrawal of one company operating a public utility from a field in favor of a new company desiring to enter that field, and to operate a public utility under lease from a third party.

In its original form this application was an application by the Pacific Telephone & Telegraph Company and Louis Evans for permission to enter into a connecting agreement for the interchange of telephone and telegraph business. The application in this form was not considered a proper matter for the formal consideration of this Commission since the Commission has taken the position that it is not passing upon general contracts of this nature. An amended application was substituted in lieu of the original application and the hearing was held on the amended application as it appears in this opinion and order.

It was developed at the hearing that Louis Evans is operating an exchange at Graham and serving the territory in and adjacent to Graham and Tranquility under lease from the Graham

Farm Lands Company, and is without standing before the Commission in the matter of this application, in that the lease was executed without the authorization of the Commission, and is in itself illegal. It was, therefore, stipulated that the Graham Farm Lands Company and Louis Evans would apply to the Commission for approval of the lease. This application has been filed and the lease has been approved.

Aside from the condition thus developed and from certain minor considerations affecting rates, and calling for modification and correction, the hearing developed no objectionable conditions.

Louis Evans has built a line from the exchange at Graham to Jameson for connection with the toll system of The Pacific Telephone & Telegraph Company, and desires to exact a toll charge to and from points outside of his territory for the use of his line. The application contemplated a rate of 10 cents for a one minute conversation and 5 cents for each additional minute. By stipulation the initial period was made two minutes (instead of one) for 10 cents and 5 cents for each additional minute. There appears to be no reasonable ground for objection to this charge.

The schedule of rates for exchange service provided for in the application, and as subsequently modified by a supplemental schedule designed to provide rates for any possible demand for service in the rural or suburban districts not provided for in the original schedule, is as follows:

Exchange Radius one-half ($\frac{1}{2}$) mile from the central exchange or switchboard in the town of Graham.

Monthly Rates within Exchange Radius

<u>Business</u>		<u>Residence</u>		
1	party wall set	\$2.50	1 party wall set	\$2.00
2	" " "	2.00	2 " " "	1.75
4	" " "	1.75	4 " " "	1.50
			10 " " "	1.00

Desk or Portable Sets 25 cents per month additional.

Mileage Charges beyond Exchange Radius

For each quarter mile or fraction in addition to above rates

1 Party	50 cents per month
2 "	35 cents per month
4 "	25 cents per month

SUBURBAN SERVICE

(Minimum of 4 Subscribers per line)

Beyond 3/4 mile and not exceeding 5 miles from central exchange-

10 Party Wall Set \$2.00 Desk Set \$2.25

Beyond 5 miles and within territory served by applicant

10 Party Wall Set \$2.50 Desk Set \$2.75

FARMER LINE SERVICE

Switching Rate 25 cents per month. Minimum 5 stations per line. Under this rate Farmer Line subscribers are required to furnish and maintain their own lines to the exchange limits, and to furnish and maintain their own telephone sets.

In view of the foregoing the following order is recommended:

O R D E R

Application having been made by The Pacific Telephone & Telegraph Company and by Louis Evans, the first to withdraw from territory in and about Graham and Tranquility, both in Fresno County, California, and the latter to construct, operate and maintain a telephone system under lease from the Graham Farm Lands Company in the said same territory as defined in that certain proposed connecting agreement filed with this application, and a hearing having been held thereon, and the said lease between the Graham Farm Lands Company and Louis Evans having been approved by this Commission,

IT IS HEREBY ORDERED, That the application of The Pacific

Telephone & Telegraph Company and of Louis Evans, the one to withdraw from, and the other to enter the field in and about Graham and Tranquility as a public utility operating a telephone plant at the following rates:

BUSINESS

1 Party Wall Set	\$2.50-	Desk Set	\$2.75 per month
2 " " "	2.00-	" "	2.25 " "
4 " " "	1.75-	" "	2.00 " "

RESIDENCE

1 Party Wall Set	\$2.00-	Desk Set	\$2.25 per month
2 " " "	1.75-	" "	2.00 " "
4 " " "	1.50-	" "	1.75 " "
10 " " "	1.00-	" "	1.25 " "

Exchange Radius one-half ($\frac{1}{2}$) mile from the central exchange or switchboard in the town of Graham.

Mileage Charges beyond the Exchange Radius.

For each ^{one} quarter ($\frac{1}{4}$) mile or fraction, in addition to above rates

1 Party	50 cents per month
2 " "	35 cents per month
4 " "	25 cents per month

Suburban Service, Minimum of 4 Subscribers per line.

Beyond three-quarter mile and not exceeding 5 miles from central exchange-

10 Party Wall Set	\$2.00-	Desk Set	\$2.25 per month
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Beyond 5 miles from central exchange and within territory served by Louis Evans-

10 Party Wall Set	\$2.50-	Desk Set	\$2.75 per month
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Farmer Line switching rate 25 cents per month, minimum

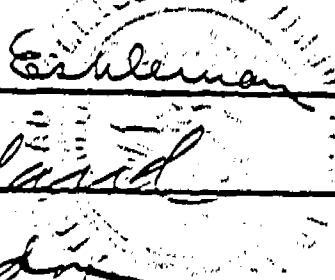
5 stations per line. Under this rate Farmer Line subscribers are required to furnish and maintain their own lines to the exchange limits and to furnish and maintain their own telephone sets.

TOLL RATES

For calls between points without the territory served by Louis Evans and points on his lines- 10 cents for two (2) minutes or fraction thereof and 5 cents for each additional minute or fraction in excess of two minutes, be and the same is hereby granted; provided, that the proposed connecting agreement herein referred to be so modified as to provide for the payment by The Pacific Telephone & Telegraph Company to Louis Evans of 30% on originating tolls or the equivalent thereof divided between originating and incoming tolls; and provided further that this permission is not to be taken as an approval of the rates by this Commission, since the Commission has not as yet passed upon their ultimate reasonableness, this order to be and become effective on the filing with the Commission of a revised connecting agreement on the part of the two companies involved, and a revised rate schedule on the part of the company proposing to operate in accordance with this order, these filings to be made not later than thirty days from date of this order.

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 26th day of June, 1913.


John M. Eschman
W. H. ...
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Commissioners.