

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of the)
 Delano-Linns Valley Telephone Company)
 and The Pacific Telephone and Telegraph) Application No. 638
 Company for permission the one to enter)
 and the other to withdraw from certain)
 territory situated in Kern County,)
 California.)

Ben Thomas for Delano-Linns Valley Telephone Company

John C. Danner and Lee S. Danner for the John C. Danner Company.

H. A. Johnson for The Pacific Telephone and Telegraph 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 certain territory in favor of another company operating a public utility in the same territory, and involving also a physical connection between the lines of the two companies.

Evidence was introduced at the hearing showing that both parties to the application are, to a limited extent, serving the same territory and that neither company is meeting the requirements of an adequate telephone service. Each company is operating independently of the other with no means of inter-communication between patrons of the two systems except by repeating messages. A physical connection between the lines of the two companies would serve the public convenience and for this reason it is desired by both companies to establish such physical connection and to enter into a connecting agreement for the inter-change of traffic.

It was also shown that The Pacific Telephone and

Telegraph Company, which company owns the telephone exchange at Delano, has connected with that exchange one subscriber located within the territory from which it desires to withdraw in favor of the Delano-Linns Valley Telephone Company. In withdrawing from this field, it desires to discontinue serving this subscriber and to allow the Delano-Linns Valley Telephone Company to connect him with its system. No objection to this change of service was offered, and, as a logical means of providing service adequate to the public necessity, I see no reasonable objection to allowing the change to be effected.

The hearing developed the further fact that a portion of the territory which the Delano-Linns Valley Telephone Company proposes to serve was being served previous to the construction of its lines and still is being served by the John C. Danner Company, another local telephone company having connection with The Pacific Telephone and Telegraph Company's system through that company's exchange at Porterville, California.

To avoid confusion and duplication of plant incident to the operation of two telephone systems in the same field, it was agreed by the Delano-Linns Valley Telephone Company and the John C. Danner Company that each should withdraw, the Delano-Linns Valley Company from a certain portion of the territory now served by each, in favor of the Danner Company, and the Danner Company from a certain other portion of the territory also served by each, in favor of the Delano-Linns Valley Telephone Company, and that the entire territory should be so divided as between the two companies involved as to define a separate territory to be served by the lines of each respective company with the following exception.

There is at present connected with the telephone system of the John C. Danner Company, and located in territory defined as the territory to be served by the Delano-Linns Valley Telephone Company, one subscriber, by name Tom McIntyre,

who, having paid for the construction of his portion of the line to insure a desired service into Porterville, desires and is reasonably entitled to a continuation of that service and which the two companies involved agreed should be continued. The order herein recommended is made contingent upon this division of territory, defining a separate and specified field for the operations of the Delano-Linns Valley Telephone Company and the John C. Danner Company, respectively.

The monthly rates which the Delano-Linns Valley Telephone Company desires to charge for service are the rates heretofore filed with the Commission. In addition to these rates, it desires to establish a rate for toll service of 25 cents for two minutes or less, with an additional charge of 10 cents per minute for each additional minute. This rate constitutes an increase over the rate filed with the Commission since the schedule on file allows a period of three minutes for the initial rate of 25 cents. It was suggested, and the Delano-Linns Valley Company agreed, that, pending the final disposition of an application now before the Commission for an adjustment of toll charges designed to become generally applicable throughout the State, the application should be so modified as to provide the same rate for toll service as is now charged and on file with the Commission, and the order herein recommended is made contingent upon the application being so modified.

The proposed connecting agreement provides for the payment by The Pacific Telephone and Telegraph Company to the Delano-Linns Valley Telephone Company of 15% of The Pacific Company's tolls on business originating on the lines of the Delano-Linns Valley Company, the charges for which are collected by the Delano-Linns Valley Company, and the payment by the Delano-Linns Valley Company to The Pacific Company of 50% of all of the Delano-Linns Valley Company's tolls on business

originating on The Pacific Company's lines or on the lines of its connecting companies. This payment of 50% of its tolls to The Pacific Company by the Delano-Linns Valley Company is by reason of the latter company having no exchange or switchboard through which to operate its own lines thereby placing the responsibility and expense of operating and accounting upon The Pacific Company. No other charge is made by The Pacific Company for this service and until or unless otherwise determined by this Commission it may be considered an operating and accounting charge to which no reasonable objection appears.

In view of the situation herein developed, the following order is recommended:

ORDER

Application having been made by the Delano-Linns Valley Telephone Company and by The Pacific Telephone and Telegraph Company, the one to enter certain territory in Kern County, California, and the other to withdraw from the said same territory as defined in that certain proposed connecting agreement filed with this application, except as to such modifications and changes in said territory as are hereinafter provided, and a hearing having been held thereon and no objection appearing,

IT IS HEREBY ORDERED that the application of the Delano-Linns Valley Telephone Company and The Pacific Telephone and Telegraph Company, the one to enter certain territory in Kern County, California, and the other to withdraw from the said same territory as a public utility operating a telephone plant as hereinbefore provided be and the same is hereby granted; providing, that the territory defined in the proposed connecting agreement herein referred to shall be so divided as to limit the operation of the Delano-Linns Valley Telephone Company's lines to that portion lying west and south of a

line drawn through said territory as follows until or unless otherwise ordered or authorized by this Commission:

Beginning at a point in the northern boundary of the territory defined in the proposed connecting agreement, herein referred to, and on the line between Township 25 south, Range 28 east, and Township 25 south, Range 29 East, thence running due south along said line a distance of three miles to a point between the southeast corner of Section 13, Township 25 south, Range 28 east, and the southwest corner of Section 18, Township 25 south, Range 29 east, thence due east to a point forty rods west of the southeast corner of Section 15, Township 25 south, Range 29 east, a distance forty rods less than four miles, thence due south a distance of three miles to a point forty rods west of the southeast corner of Section 34, Township 25 south, Range 29 east, thence due east a distance of eight miles to the eastern boundary of the territory defined in the said proposed connecting agreement.

AND PROVIDED FURTHER that as to the said territory herein defined, the J. C. Danner Company shall continue to provide service for one of its present subscribers, by name Tom McIntyre, located within the territory herein provided to be served by the lines of the Delano-Linns Valley Telephone Company, but the said J. C. Danner Company shall not otherwise extend or operate any other telephone lines within the territory herein defined until or unless otherwise ordered or authorized by this Commission.

AND PROVIDED FURTHER that this application shall be so modified as to provide a rate for toll service for messages passing over the line of the Delano-Linns Valley Telephone Company of 25 cents for three minutes or less and 10 cents for each additional minute or fraction thereof over the first three minutes until otherwise authorized by this Commission, and it is further provided that this permission is not to be taken as approval of the rates since the Commission has not yet passed upon their ultimate reasonableness. Except as to rates, which may if desired be and become effective as of the date of this order, this order to be and become effective upon the filing with this Commission of a revised connecting agreement on the part of the two companies involved, said revised con-

necting agreement to define the territory as hereinbefore provided and said filing to be made within thirty days of 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 19th day of August, 1913.

H. D. Loveland
Chas. Gordon
Max Tilton

Commissioners.