

Decision No. 9100

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of MRS. G. GUERRA, owner of Cambria
Telephone Company, for permission
to totally discontinue all service
and to entirely withdraw from pub-
lic service in all territory served
by such company.)

Application No. 6016.

ORIGINAL

Albert Nelson for Applicant.

L. J. Migrants for Piedras Blancas
Light House.

BY THE COMMISSION.

O P I N I O N

Mrs. G. Guerra, petitioner in this proceeding, is sole owner of a small telephone system operating as a public utility in and in the vicinity of the town of Cambria, San Luis Obispo County, and serving at the time of this proceeding about 95 patrons. Connection with the long distance toll lines of The Pacific Telephone and Telegraph Company is maintained to provide public service to and from outside points.

The petition sets forth that the expense of operation far exceeds the revenue, that patrons threaten to order their telephones taken out if an increase in rates is attempted, that it is difficult to employ necessary labor for maintenance and operation and that petitioner is unable to secure a purchaser to take over the operation of the system. As originally filed, the petition asks for an order permitting petitioner to withdraw entirely from public service.

A hearing was held before Examiner Westover at Cambria. At this hearing, counsel for petitioner asked for and was granted permission to amend the petition by asking, in the event of a denial, that the rates be increased sufficiently to justify the service.

Cambria is located about 37 miles northwest of San Luis Obispo and about 15 miles from Cayucos, the nearest town. The only present available wire communication with the outside world is by means of petitioner's service and its toll connection hereinbefore referred to. About 20 of petitioner's patrons appeared in protest against withdrawal of service, and it appears that this protest is general. None of those so protesting have protested to the Commission against the payment of sufficient rates to justify continuance of service and all of those appearing at the hearing have signified their willingness to pay an increase if necessary. Petitioner has also expressed willingness to continue if given adequate rates.

Petitioner's claim that the expense of operation far exceeds the revenue is not fully supported by the evidence. It was shown, however, that complete records of actual expenditures have not been kept and it is apparent that the maintenance of the property has been neglected. It is probable, therefore, that if the system were properly maintained the expenses of operation would at least equal, if not exceed, present revenues.

It is our opinion that public convenience and necessity require continuance of telephone service within the territory now served by petitioner's lines. It is obvious, of course, that the owner of this system or anyone else whose duty it is or might be to provide service is entitled to such revenues as may be necessary to make its continuance possible. The Commission is not passing upon a question of rates in this proceeding, but if the