Decision No. 28373.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of Public Utilities California Corporation for authorization to establish Telephone Service.

In the Matter of the Application of The Fall River Valley Telephone Company for authorization to discontinue Telephone Service.

Application No.18978.

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Application No.18979.

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A. J. Mathews, for Public Utilities California Corporation.

L. F. Arnold, Secretary, and W. J. Albaugh, President, for Fall River Valley Telephone Company.

BY THE COMMISSION:

## <u>OPINION</u>

In Application No. 18979, Public Utilities California Corporation requests authority to furnish telephone exchange service in Fall River Mills and vicinity, and to establish rates therefor.

Fall River Valley Telephone Company, hereinafter sometimes referred to as the Fall River Company, in Application No. 18978 asks the Railroad Commission for authority to discontinue operations as a telephone public utility.

A hearing in these applications was held before Examiner Fry at Fall River Mills on September 12, 1933, and these matters

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were consolidated for hearing and decision.

Public Utilities California Corporation operates a telephone and telegraph system in portions of Lassen, Modoc, Plumas, Shasta and Tehama Counties in California. This applicant at present furnishes no exchange telephone service in the territory served by the Fall River Company, but makes connection at Fall River Mills with the system of the local company to provide toll telephone and telegraph service to and from outside points.

The Fall River Company has less than one hundred subscribers' telephone stations in service in three areas, Fall River Mills, McArthur and Glenburn, in Shasta and Lassen Counties, California. Unlimited exchange service is furnished in each area at flat rates payable monthly. Service between the three areas is now available at toll rates on file with the Railroad Commission.

Testimony given and statements made at the hearing show that the service of the Fall River Company has been very unsatisfactory, particularly as to transmission due to worn-out batteries in telephones owned and maintained by subscribers, inadequate insulation of line wires and inductive interference with the Company's grounded line system by power lines. Due to lack of effort in collecting subscribers' telephone bills and apathy of stockholders in conducting the affairs of the utility, it has become delinquent in the payment of its obligations and now desires to cease attempting to continue public utility operations.

A. J. Mathews, for Public Utilities California Corporation testified that the two utilities have been negotiating for

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Some months in an effort to arrive at some agreement whereby the Fall River Company would discontinue, and the Public Utilities California Corporation would furnish exchange telephone service in this territory, with the result that these applications have been made.

As set forth in Application No. 18979 and in supporting testimony, the Public Utilities California Corporation proposes to establish a Fall River Mills exchange area which will include all of the territory now divided into three areas as referred to above. A primary rate area, as set forth on a map, Exhibit "C," attached to the application, is contemplated. Individual line and four-party line service and farmer line service are proposed at the same level of rates as are effective in other exchanges of the Public Utilities California Corporation. Under the proposals, service would be furnished on rural lines outside the Fall River Mills primary rate area to mutual nonprofit associations organized to secure service for their members under the farmer line service schedule. One and four-party line service also would be available in the suburban area at the primary rates and the usual mileage charges of the Public Utilities California Corporation. The present toll rates between the Fall River Mills, McArthur and Glenburn areas of the Fall River Company would be eliminated and service throughout the territory would be furnished at flat rates. Toll telephone and telegraph service between the proposed exchange and outside points would be available at the rates now effective for the Fall River Mills toll point.

At the hearing very complete explanations of the proposal of the Public Utilities California Corporation were made

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and the possible effects of the suggested changes were fully developed.

We are of the opinion that the exchange and primary rate areas as proposed and the level of rates requested by Public Utilities California Corporation are reasonable for the service to be furnished.

Apparently the Fall River Company can not continue to function as a utility and as the proposals of Public Utilities California are reasonable, we believe these applications should be granted.

# <u>o r d e r</u>

Public Utilities California Corporation having applied to the Railroad Commission for authority to establish an exchange and to make effective rates for exchange telephone service in Fall River Mills and adjacent territory, Fall River Valley Telephone Company having requested authority to discontinue public utility telephone service in the same territory, a hearing in these applications having been held, the matters having been submitted and being now ready for decision,

The Railroad Commission of the State of California hereby finds as a fact that the interests of the public will be served by the establishment of exchange telephone service by Public Utilities California Corporation in Fall River Mills and vicinity, and by the discontinuance of exchange telephone service therein by Fall River Valley Telephone Company as a public telephone utility; and

IT IS HEREBY ORDERED that Public Utilities California Corporation shall:

- (1) Establish a telephone exchange at Fall River Mills and vicinity on or before January 1, 1934, with the hours of service at present available in that area; with a primary rate area as set forth in Exhibit "C" and an exchange area as set forth in Exhibit "D", both attached to Application No. 18979.
- (2) Establish rates for local telephone service in the proposed exchange as set forth in Exhibit "4," attached hereto, and such other toll and telegraph rates as may be approved, effective on and after the date of the establishment of the exchange.
- (3) Submit to the Railroad Commission for filing, maps showing the primary and exchange areas as referred to in (1) above and exchange telephone rates as referred to in (2) above for the Fall River Mills Exchange, on or before the tenth day immediately preceding the date of the establishment of said exchange.

IT IS HEREBY FURTHER ORDERED that Fall River Valley Telephone Company shall, as of the date of the beginning of exchange telephone service operations by Public Utilities California Corporation in Fall River Mills Exchange as referred to in (1) above, discontinue public utility telephone service and withdraw rates therefor.

For all other purposes the effective date of this Order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this <u>2</u> day of October, 1933.

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Commissioners.

EXEIBIT "A" RATES

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### EXCHANGE SERVICE SCHEDULE NO.

## INDIVIDUAL LINE AND PARTY LINE SERVICE

FALL RIVER MILLS

### SERVICE:

RATE:

ipplicable to business and residence individual line and four-party line flat rate service within the primary rate area of the Fall River Mills Exchange.

Rate per Month

## (1) Business Flat Rate Service:

Each	individual	line	desk	set	station,	\$3.00 C.C.
Each	four-perty	line	desk	set	station,	2.25
Each	extension d	lesk s	set st	atic	n,	1.25

(2) Residence Flat Rate Service:

Each individu	al line desk set station,	2.75
Each four-par	ty line desk set station,	2.00
Each extensio	on desk set station,	1

Each wall set station - desk set station rate less \$.25 per month.

#### CONDITIONS:

- (1) Individual line and party line services will be provided outside the primary rate area and within the exchange area at the above rates and mileage rates.
- (2) Extension stations at the above rates are installed on the premises on which the primary station is located. The above rates and mileage rates are applicable to offpremises extension stations.

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#### EXCHANGE SERVICE SCHEDULE NO.

#### FARMER LINE SERVICE

FALL RIVER MILLS

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#### SERVICE:

Applicable to farmer line service within the suburban area of the Fall River Mills Exchange.

#### RATE:

Rate per Year

Each business or residence station,

## \$3.60

#### CONDITIONS:

- (1) Farmer line service is furnished outside the primary rate area and within the exchange area at the above rates. A farmer line shall not extend beyond the exchange area boundary. A farmer line station shall not be located within the primary rate area.
- (2) The Company instells, owns and maintains, at its expense, the necessary central office equipment and service and line facilities to the boundary of the primary rate area and furnishes one listing in the telephone directory.
- (3) The subscriber furnishes and maintains, at his expense, the necessary facilities from the Company line at the boundary of the primary rate area to the subscriber's station, complete telephone instrument and battery and \_ substation protection.
- (4) The above service will be furnished, provided the line owned by the subscriber or subscribers is properly constructed and maintained in an operating condition.
- (5) Charges for farmer line service are payable annually in advance. New subscribers will be billed from the date of connection to the end of the year and annually in advance thereafter.
- (6) Farmer line service will be furnished to lines as a whole only. It shall be the duty of the members of each farmer line to appoint or designate a secretary or manager for such line and no new member shall thereafter be connected to said line nor will the Company assign a number to a new member on such line except on written authority from such secretary or manager. Said secretary or manager shall also collect all charges for telephone or telegraph service from the members of the farmer line, if requested by the

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Company to do so, and the Company may elect to be relieved from the duty of collecting from each subscriber. In case the Company does not secure payment for each member of any line, service may be disconnected from the line as a whole.

- (7) A farmer line may not be connected to more than one exchange or to the lines or equipment of any other telephone system. In the event the farmer line is so connected and upon failure, after notice to the secretary or manager of that line to comply with the above provisions, the Company shall then have the right to disconnect that line from the Fall River Mills Exchange.
- (8) Farmer line service will not be provided on any line unless each and every person having a telephone connected to the line subscribes for telephone service.