

Decision No. 26716

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

CITY OF BEVERLY HILLS, a Municipal Corporation,

Complainant,

vs.

Case No. 3413

SOUTHERN CALIFORNIA TELEPHONE CO., a Corporation,

Defendant.

THE CITY OF LOS ANGELES, a Municipal Corporation,

Complainant,

vs.

Case No. 3465

SOUTHERN CALIFORNIA TELEPHONE COMPANY, a Corporation,

Defendant.

ORIGINAL

In the Matter of the Investigation on the Commission's Own Motion into the practices, rules, regulations, contracts, exchange areas, base rate areas, zones, service arrangements, or any of them, of SOUTHERN CALIFORNIA TELEPHONE COMPANY, applicable to the service rendered directly or indirectly to the subscribers of and in the territory served by said company.

Case No. 3477

In the Matter of the Investigation on the Commission's Own Motion into the practices, rules, regulations, contracts, exchange areas, base rate areas, special rate areas, zones, service arrangements, or any of them of ASSOCIATED TELEPHONE COMPANY, LTD., DOWNEY HOME TELEPHONE AND TELEGRAPH COMPANY, MONROVIA TELEPHONE AND TELEGRAPH COMPANY, SAN FERNANDO TELEPHONE AND TELEGRAPH COMPANY, SIERRA MADRE TELEPHONE AND TELEGRAPH COMPANY, SUNLAND RURAL TELEPHONE COMPANY, WHITTIER HOME TELEPHONE AND TELEGRAPH COMPANY, applicable to the service rendered directly or indirectly to the subscribers of and in the territory served by said companies.

Case No. 3604

Richard C. Waltz, City Attorney for the City of Beverly Hills.

Erwin P. Werner, City Attorney, Frederick von Schrader, Assistant City Attorney, Joseph T. Watson, Deputy City Attorney, and Carl I. Wheat, for the City of Los Angeles.

F. F. Ball and G. L. Metcalf, for the Board of Public Utilities and Transportation of the City of Los Angeles.

C. E. Fleager, Jack Hardy and Oscar Lawler for the Southern California Telephone Company.

C. F. Mason, Ernest Irwin and John G. Mott, for the Associated Telephone Company, Ltd.

F. V. Rhodes, for Monrovia Telephone and Telegraph Company, San Fernando Telephone and Telegraph Company, and Sierra Madre Telephone and Telegraph Company.

Ernest Irwin, for Downey Home Telephone and Telegraph Company, Sunland Rural Telephone Company and Whittier Home Telephone and Telegraph Company.

William S. Emmons, City Attorney for the City of Culver City.

Harold P. Huls, City Attorney, Leonard A. Diether, Assistant City Attorney, and Oscar L. Horn, for the City of Pasadena.

Bernard Brennan, City Attorney, and Aubrey N. Irwin, Assistant City Attorney, for the City of Glendale.

Louis E. Burke, City Attorney, for the City of Montebello.

H. E. Vedder, City Attorney, for the City of South Pasadena.

C. V. Mac Cement, City Attorney, for the City of San Fernando.

Phil Dodson, for the City of Sierra Madre.

Orlando E. Rhodes, for the City of Santa Monica.

E. P. Mulholland, City Attorney, for the City of Signal Hill.

P. J. Tscharnner, for the City of Azusa.

J. K. Hull, City Prosecutor, O. H. Wolter and O. R. Cline, for the City of Long Beach.

Carl Bush, for the Hollywood Chamber of Commerce.

Lincoln Hart, for the North Hollywood Chamber of Commerce.

Harry Barratt, for the West Hollywood Chamber of Commerce.

Ellis Wales and William F. Brandt, for the Beverly Hills Chamber of Commerce.

R. O. Baldwin, for the Chamber of Commerce of Long Beach.

L. K. Layton, for the Chamber of Commerce of Sierra Madre.

Robert H. Snyder, for the Pasadena Chamber of Commerce.

D. I. Worsfold, for the Palms Chamber of Commerce.

Henry E. Carter and L. E. Stewart, for the Citizens Committee of Wilmington.

L. E. Stewart, for W. B. Corberly and R. F. Ingold, receivers in equity for the Pacific Cottonseed Products Corporation, Vernon.

Marshall Stimson, for the Bel Air Corporation and residents in the Bel Air District, and the Janss Corporation in the Westwood District.

W. P. Crilly, for Worley & Company, Town of Pico.

John B. Prendergast, for the Beverly Hills Realty Board, Beverly Hills.

Harold E. Jordan, for Citizens Council of Los Angeles, 11th District.

Eugene Mitchell, for Los Angeles Retail Merchants Association, Central Business District Association and Down Town Business Men's Association.

John E. Staley, in behalf of Citizens Toll Reduction League of West Los Angeles.

WHITSELL, COMMISSIONER:

O P I N I O N

In Case No. 3413 the City of Beverly Hills requests the Railroad Commission to order Southern California Telephone Company to include in the primary rate area of the Los Angeles Exchange all the area of the City of Beverly Hills.

The City of Los Angeles in Case No. 3465 asks the Commission to order Southern California Telephone Company to include a certain section of the Culver City exchange area in the primary rate area of its Los Angeles Exchange or afford that section an optional rate schedule allowing therein Los Angeles exchange service at the base rates plus an average suburban mileage.

On January 23, 1933, the Commission issued an Order, Case No. 3477, instituting an investigation on its own motion into the practices, exchange areas, base rate areas, zones, service arrangements, etc., of the Southern California Telephone Company. On June 12, 1933, the Commission extended its investigation by issuing its Order, Case No. 3604, instituting an investigation into the practices, exchange areas, base rate areas, zones, service arrangements, etc., of the Associated Telephone Company, Ltd., Downey Home Telephone and Telegraph Company, Monrovia Telephone and Telegraph Company, San Fernando Telephone and Telegraph Company, Sierra Madre Telephone and Telegraph Company, Sunland Rural Telephone Company, and Whittier Home Telephone and Telegraph Company.

These matters were combined for hearing and decision. Presentation of evidence before the Commission by the Commission's engineers and other interested parties was received on February 7th, March 2nd, March 30th, May 23rd, October 18th, November 28th, and December 7th and 8th, 1933. On December 8, 1933, these cases were submitted for decision.

History of Telephone Service in Los Angeles.

Telephone service in Los Angeles was begun in the year 1879 by the Los Angeles Telephone Company and was continued by it and its successors without competition until the year 1903 when the Home Telephone and Telegraph Company of Los Angeles commenced operation. From that date until May 1, 1917, two competing companies with no interconnection or interchange of service operated in the City of Los Angeles. On May 1, 1917, Southern California Telephone Company replaced the Home Telephone and Telegraph Company of Los Angeles and The Pacific Telephone and Telegraph Company, successor to the Sunset Telephone and Telegraph Company which had acquired the properties of the Los Angeles Telephone Company, and since that time has operated the combined properties as one. In Decision No. 22333, dated April 14, 1930, in Applications Nos. 16269, 16270, and 16271 (34 C.R.C. 584) the Commission authorized Southern California Telephone Company to acquire the properties of the Home Telephone and Telegraph Company of Pasadena, United States Long Distance Telephone and Telegraph Company, Consolidated Utilities Company, Corona Home Telephone and Telegraph Company, and the exchange and toll properties of The Pacific Telephone and Telegraph Company in Southern California.

Competing companies also operated telephone utilities in the Los Angeles suburban communities. Consolidation of these various properties was consummated following the major consolidation in Los Angeles, and telephone service in each of the suburban communities was furnished from its own separate exchange.

Although there were few natural boundaries between the central section of Los Angeles and the suburban communities, there was undeveloped open country between the downtown Los Angeles section and the various towns, cities or communities where these separate exchanges had been established. Service between these exchanges and the Los Angeles Exchange was furnished on a toll basis, and intra-community service was furnished at local rates in each instance. This plan of telephone service satisfactorily met the requirements of the public at that time. Due to the phenomenal growth of Los Angeles and suburban communities, the undeveloped sections were subdivided and used more and more for residential and business purposes. With the increase in value of property in central Los Angeles, and on account of the increased use of the automobile, home owners sought locations away from the downtown section of the City. One class of home owners bought property in moderately priced residential sections, while others built up communities of exclusive and higher priced homes. The decentralization of business which began then has continued, and now Los Angeles and its surrounding territory form a metropolitan area extending to the sea on the south and southwest, to the mountains on the north, and into the valley on the east. With this decentralization, there developed a requirement for telephone service differing from that which existed when the various suburban communities were well separated. In general, subscribers in the suburban community still require exchange service confined to their own particular area, with toll service to other communities. However, groups of subscribers near the Los Angeles exchange area boundary, both within the Los Angeles exchange area and in the contiguous suburban exchange areas, require inter-community telephone service without the payment of the present ten cent toll charge. The Commission in these proceedings has endeavored to meet the requirements of these groups.

At the close of the World War some heavy users of telephone service in suburban communities were receiving Los Angeles service under a schedule entitled "Extra Territorial Service", but its use generally was not encouraged. In 1924, the Commission authorized the Southern California Telephone Company to furnish Los Angeles business service in the Montebello and Culver City Exchanges in accordance with a schedule of foreign exchange rates (25 C.R.C. 721). Under this schedule, a subscriber located in a suburban exchange received Los Angeles service at Los Angeles exchange rates plus a foreign exchange mileage charge based upon the air-line distance of his location from the nearest point on the Los Angeles exchange area boundary. The requirement that local exchange service also be subscribed to was made a part of this schedule. This irregular type of rate treatment met the requirements of certain large users.

In 1929 the Commission ordered The Pacific Telephone and Telegraph Company to file a schedule of rates for residence foreign exchange service for the Burbank and Glendale Exchanges (32 C.R.C. 678). A condition of this schedule permitted the telephone user within one-half mile of the common boundary line of those exchanges, to receive service at the exchange rates plus foreign exchange mileage charges, from the exchange of his choice, without the requirement of service from both exchanges. These two classes of foreign exchange service have since been extended generally throughout the territory served by the Southern California Telephone Company in the Los Angeles Metropolitan Area. The use of this type of service has become excessive, indicating either that exchange boundary lines are incorrectly located or that the rate structure or plan of service no longer meets the public requirements. In certain instances after formal complaint, the Commission has ordered the relocation of portions of the Los Angeles exchange area boundary, in each case including

more territory within the Los Angeles exchange area.

In its Decision No. 14420, dated December 31, 1924, in Application No. 9648, the Commission in its opinion (25 C.R.C. 721) expressed the conviction that a zoning plan would be required in the ultimate solution of the Los Angeles telephone situation and that the Telephone Company should look forward to such plan and construct its plant accordingly. Again in Decision No. 24397, dated January 18, 1932, in Case No. 3117, the Commission stated, "The telephone companies which furnish service in and about Los Angeles should energetically prosecute a study of the telephone situation which exists there at this time and reach a determination as to the best coordinated plan of general service which may be inaugurated with reasonable dispatch. Only in this way may future expenditures of money in the Los Angeles territory result in the greatest benefit to the public and to the utilities." (37 C.R.C. 53). As the telephone companies had failed to present any coordinated plan for telephone service in the Los Angeles Metropolitan Area, and as the development of a proper service and rate plan had become imperative, the Commission instituted the present proceedings.

In developing an appropriate telephone service plan for Los Angeles and its nearby cities, it was first necessary that the Commission's telephone engineers carefully study the existing telephone situation in the area. Pertinent basic data with maps and charts illustrating the distribution of traffic in the Los Angeles Metropolitan Area were introduced in evidence by the Commission's Telephone and Telegraph Engineer, Arthur B. Fry, at the hearing on May 23, 1933. The telephone situation in this area was found to be difficult to solve due to various complications not generally encountered elsewhere.

The City of Los Angeles contains approximately 450 square miles of territory of which about 194 square miles are included in the Los Angeles exchange area. In addition to this portion of the incorporated area of the City of Los Angeles, with a population of approximately 1,000,000, all of the incorporated area of the cities Bell, Beverly Hills, Huntington Park, Vernon, Maywood, South Gate, and South Pasadena, with a combined population of more than 91,000, is included in the Los Angeles exchange area. As of June 30, 1933, there were 346,115 subscriber's telephone stations in service in the Los Angeles Exchange. The present incorporated area of the City of Los Angeles, after many annexations to the original city, is not compact but is very irregular in outline and in many instances surrounds sections of Los Angeles County and other cities. For this reason, it is impracticable to attempt to include in the Los Angeles Exchange all of the incorporated area of the city or to exclude territory which has not been annexed thereto.

In its study of the Los Angeles Metropolitan Area, the Commission's staff has included the Los Angeles Exchange and all exchanges within the area bounded generally by and including Canoga Park on the northwest, Monrovia and Covina Exchanges on the northeast, the Long Beach Exchange on the southeast and Redondo on the southwest. There are eight separate telephone companies furnishing service in this area from thirty-three telephone exchanges, of which number the Southern California Telephone Company owns twenty-one exchanges; Associated Telephone Company, Ltd., owns six; and Monrovia Telephone and Telegraph Company, San Fernando Telephone and Telegraph Company, Downey Home Telephone and Telegraph Company, Sierra Madre Telephone and

Telegraph Company, Sunland Rural Telephone Company, and Whittier Home Telephone and Telegraph Company, all independent companies, each operate one exchange. The entire area under consideration includes in excess of sixty communities with a population of almost 2,000,000. To add to the complexity of the problem, it may be noted that the central office equipment in use in the areas varies materially, there being fourteen automatic and nineteen manual exchanges of various types.

Ernest W. Watson of the Commission's telephone engineering staff on October 18, 1933, introduced in evidence a comprehensive service and rate plan which he had developed for the Los Angeles area. At hearings on November 28th, and on December 7th and 8th, Mr. Watson, in exhibits filed and by testimony, thoroughly explained and amplified his plan. In addition to various traffic studies and other data which were available, special telephone traffic investigations were made of certain districts for use in determining the actual present usage and distribution of telephone messages and relative interest in and between the various areas. Rate plans in effect in other large cities in the United States were analyzed and tested for possible adaptation to the Los Angeles situation. No plan was found which could be used in its entirety to meet the requirements of the Los Angeles Metropolitan Area. Consequently, the plan presented by Mr. Watson differs from other plans in many respects and presents certain phases substantially different from the method of serving Los Angeles at the present time.

Although not vital to the success of the suggested plan, it has been deemed advisable in its design to assume that a separate exchange be established at Beverly Hills coincident with the inauguration of the plan so that the general public in that community might experience the many benefits to be derived therefrom.

The telephone development, rate schedules, and service in South Pasadena are unique in California, as the territory is included within both the Pasadena and Los Angeles exchange areas. A major portion is within the base rate area of the Pasadena Exchange, and subscribers may receive service at the regular Pasadena rates, and have telephone numbers with a "Hudson" prefix. The territory is included in the suburban area of the Los Angeles Exchange as a special South Pasadena Rate Area, and Los Angeles subscribers in the area have telephone numbers with a "Sycamore" prefix, and pay the Los Angeles base rates plus an average mileage charge. The Pasadena and Los Angeles subscribers in the South Pasadena area are about equally divided. A ten cent toll charge is effective for each message between a subscriber of one group and a subscriber of the other group.

In the development of the telephone business, it has been found necessary to establish zones affecting both rates and service. The very existence of zone lines is almost necessarily a source of misunderstanding and difficulty. The industry and regulatory commissions both have felt the full force of this, but have not devised a general scheme or plan for obviating or mitigating the inherent objections to the existence of these lines. The plan which is here described is designed to overcome this difficulty and to flatten out and soften the disparities now existing between subscribers located on opposite sides of zone lines. While the plan itself when described sounds technical in the extreme, its central purpose is as stated and its practical working out will accomplish that purpose.

Description of the Commission Engineers' Proposed Rate Plan.

The plan, as devised, explained and recommended by Mr. Watson of the Commission's staff, not only is directed toward breaking up the force of zone lines, but incidentally makes certain re-arrangements of the boundaries and exchange areas to fit more fully

into the general plan. This plan, which is here in substance ordered, may be summarized in technical fashion as follows:

1. A Beverly Hills Exchange would be established comprising that portion of the Los Angeles exchange area lying, in general, west of La Cienega Boulevard. The primary calling area under local rates in the Beverly Hills Exchange would include all stations served from that exchange.

A toll and telegraph rate center would be established at the Beverly Hills Post Office as located on the United States post route map.

Interexchange telephone rates computed on the standard basis, as modified in "5" below, would apply to messages to and from points beyond the Beverly Hills exchange boundary.

2. Certain Los Angeles exchange telephone services, as furnished under special South Pasadena Rate Area schedules, would be withdrawn.

3. A section of territory in the northeastern part of the Culver City Exchange would be transferred to the Los Angeles Exchange.

4. The Los Angeles exchange boundary would remain as at present with the exception of the realignments mentioned in "1", "2" and "3" above.

5. The Los Angeles Exchange would be zoned for toll rate purposes. That is, in lieu of one toll rate center, there would be established a toll rate center in each of the fourteen Los Angeles fundamental plan areas¹ which would remain after the establishment of the plan. Interexchange rates would be based

¹ For administrative and operative purposes the Southern California Telephone Company has divided the Los Angeles exchange area into sixteen separate and distinct sections termed "fundamental plan areas". In each area there is one or more central office unit, each having a different telephone number prefix.

upon mileage measurements to the new scaling centers, which would be established at the central office location in each of the Los Angeles fundamental plan areas except the Mutual area. Interexchange rates for the Mutual area would be quoted on the basis of the present Los Angeles toll rate center which is located in that area.

Where the new interexchange mileage measurement would not be more than six miles, the initial period station-to-station toll rate would be five cents in accordance with the standard basis of interexchange toll rate computations. Similarly, where the distance would be over six miles but not more than twelve miles, the initial period station-to-station rate would be ten cents. Where the distance would be over twelve miles, but not more than eighteen miles, the rate would be fifteen cents; and where the distance would be over eighteen miles, but not more than twenty-four miles, the rate would be twenty cents.

6. The ultimate Los Angeles extended service area as contemplated under this plan would include the following: Los Angeles, Beverly Hills, Alhambra, Culver City, Glendale, Hawthorne, Inglewood, Montebello, North Hollywood, and Pasadena Exchanges; the Compton and Gardena central office districts of the Compton-Hynes-Gardena Exchange; the Downey central office district of the Downey Exchange; and that portion of the Burbank Exchange which is bounded by a line beginning at a point on the Burbank exchange area boundary at the center of the north boundary of Section 34, Township 2 North, Range 14 West, following the exchange boundary east, south, southwesterly, and northwesterly to the common boundary of the cities of Burbank and Los Angeles, thence easterly along that boundary to the center of the south boundary of Section 34, Township 2 North, Range 14 West, and thence north to the point of beginning.

Extended service would be made available in all of the areas contiguous to the Los Angeles Exchange, which have been mentioned above.

The primary calling area for extended service subscribers in the various exchanges and portions of exchanges would include all stations served from the subscribers' exchange, all stations served from those exchanges contiguous to the subscribers' exchange which are within the ultimate Los Angeles extended service area, and all stations served from the central offices in those fundamental plan areas of the Los Angeles Exchange which are contiguous to or have scaling points which are within a distance of six miles of the scaling point of the subscribers' exchange. Two exceptions, which are in fact extensions, would be the inclusion of the Drexel and Olympia fundamental plan areas within the primary calling area of extended service subscribers in Beverly Hills.

Interexchange rates computed on the standard basis as modified in "5" above would apply to messages to and from points beyond the primary calling area.

7. Subscribers located in the Los Angeles fundamental plan areas which would be included within the primary calling area of extended service subscribers of a particular suburban exchange would be able to call all stations served from that suburban exchange at local rates in lieu of paying the present station-to-station toll rate of ten cents.

8. The proposed extended service rates in the areas mentioned

in "6" above, except Los Angeles, are as follows:

	<u>Desk Set</u> <u>Rate Per Month</u>
Extended business individual line message rate service with 85 messages	\$5.50
Each additional message \$.035	
Extended residence individual line flat rate service	4.25
Extended residence two-party line flat rate service	3.25
Each business extension station	1.00
Each residence extension station	.75

Extended residence two-party line message rate desk set service at \$2.75 for sixty messages or less per month, with a charge of \$.035 for each additional message, would be offered in addition to the above services in the Beverly Hills Exchange.

9. Subscribers continuing under their present local rates in suburban exchanges would have their present scope of local service and pay standard interexchange rates as modified in "5" above to points beyond the boundary of the local exchange area.

This plan is an arrangement of service, with incidental rates, designed to permit subscribers in Los Angeles and its suburban communities to receive the telephone service which meets their particular requirements.

Expanded or extended areas would be created including in each instance three or more communities and a section of the Los Angeles exchange area. Telephone subscribers in a suburban community could elect to receive service, without toll charges, throughout an extended area. Except in the downtown section, Los Angeles subscribers would be able to call into adjacent suburban communities (except for distances greater than about eight miles) without toll charges and at no increase in monthly rates. Subscribers in a suburban exchange could continue under the present schedule at no change in rates but would have an amplified service due to the fact that certain extended service subscribers and many

Los Angeles subscribers could call them without toll charges. Charges for most short distance messages across the Los Angeles exchange boundary would be eliminated and the remainder reduced from ten cents to five cents per message.

By establishing fourteen toll rate zones in the Los Angeles Exchange, most subscribers in the Los Angeles Metropolitan Area would have reduced toll charges.

Effect on Subscribers of the Adoption of the Plan.

The adoption of the plan would affect subscribers as follows:

A. Subscribers located in sections of the Los Angeles Exchange which would be within the primary calling area of extended service subscribers of a contiguous exchange. Subscribers in downtown Los Angeles are not included.

1. For these subscribers the ten cent toll rate now applicable to messages to the nearby suburban exchanges would be eliminated.²

2. The zoning of Los Angeles for toll rate purposes would result in a five cent toll rate reduction applicable to approximately four times as many of the toll messages originated by these subscribers as would be increased.

3. The inward service would be materially increased, as the extended service subscribers in certain contiguous suburban exchanges would be able to call these subscribers without the payment of a toll charge, the local service subscribers in certain contiguous exchanges would be able to call them for a toll rate of five cents instead of ten cents, and a five cent toll rate reduction would be applicable to messages from nearby noncontiguous exchanges.

² Mr. T. J. Harris, General Commercial Engineer, witness for the Southern California Telephone Company, fixes \$127,000 as the annual toll service charges which would be eliminated for this group of Los Angeles subscribers.

B. Subscribers located in suburban exchanges which would be included in the ultimate Los Angeles extended service area.

1. Local service subscribers:

(a) The toll rate applicable to messages to certain nearby Los Angeles fundamental plan areas would be reduced from ten cents to five cents.

(b) The subscribers' inward service would be materially increased as many Los Angeles Exchange subscribers would be able to call them without the payment of a ten cent toll charge which now is in effect.

2. Extended service subscribers:

(a) The ten cent toll rate now applicable for messages to stations in certain nearby fundamental plan areas of the Los Angeles Exchange would be eliminated, and such messages would be completed on a local basis.

(b) The primary calling area for all extended service subscribers would include certain nearby fundamental plan areas of the Los Angeles Exchange, and the adjacent suburban exchanges which are located within the ultimate extended service area. The subscribers could call throughout this extended area at the extended service rate instead of on a toll basis.

(c) The inward service would be materially increased, due to the fact that all Los Angeles subscribers located in nearby fundamental plan areas and extended service subscribers in certain contiguous suburban exchanges could call these subscribers without the payment of a toll charge.

C. Subscribers located in the area proposed as the Beverly Hills Exchange.

1. All subscribers would receive reduced local charges due to the elimination of suburban mileage charges. The total amount of this reduction on an annual basis is approximately \$200,000.

2. All subscribers selecting Beverly Hills local exchange service would receive material reductions in base rates. All subscribers selecting Beverly Hills extended flat rate service would receive a reduction in base rates.

3. The primary calling area for the extended service subscribers would include a section of the present Los Angeles Exchange within which more than 75 per cent of the present Los Angeles calls originated by subscribers in the Beverly Hills area now terminate. The primary calling area would also include the North Hollywood and Culver City exchange areas. The ten cent toll rates now applicable to messages to these two exchanges would be eliminated.

4. The establishment of a toll rate center in Beverly Hills would result in a five cent toll rate reduction over routes where there is the greatest toll usage, namely, to Santa Monica, Van Nuys, and West Los Angeles. There would be a five cent increase in the toll rates over the longer routes where there is only comparatively slight usage.

5. The lower base rates would insure a greater telephone development and would therefore increase the value of the service to all subscribers in the area, and particularly to the business subscribers. The monthly exchange charges for telephone service are now high in the Beverly Hills section due to mileage charges;

for example, in the business section of Beverly Hills the monthly exchange charge for residence individual line desk set service is \$7.50. Undoubtedly, many people in Beverly Hills desiring telephone service, but unable to pay existing rates, will be able to have the service at the rates presented.

D. Subscribers located in the South Pasadena Rate Area.³

1. Pasadena subscribers in the South Pasadena Rate Area:

(a) These subscribers would have a toll rate reduction from ten cents to five cents for messages to stations in the Albany and Capitol fundamental plan areas of the Los Angeles Exchange.

(b) The inward service to these subscribers would be materially increased, since all subscribers in the Albany and Capitol fundamental plan areas and extended service subscribers in Alhambra and Glendale could call them without the payment of a toll charge.

(c) As a majority of the present Los Angeles subscribers in the area would undoubtedly become extended service subscribers, they could call and be called by Pasadena subscribers on a local basis instead of on the ten cent toll basis now in effect.

2. Los Angeles subscribers in the South Pasadena Rate Area:

(a) Subscribers selecting either Pasadena local or Pasadena extended service would receive material reductions in base rates.

(b) As Pasadena local or extended service subscribers they would be able to call and be called by a much

³ Some objection was made to the plan as it affects this territory. The objections urged are largely met by changes in boundary lines provided for in the Order.

greater number of subscribers in the City of South Pasadena than at present, without the payment of the present ten cent toll rate per message. Therefore, the necessity for dual service on the part of subscribers would be materially reduced.

(c) Those subscribers having communication interest extending beyond the boundaries of the City of South Pasadena and into adjacent territory in all directions would benefit by becoming extended service subscribers, since they would have included in their primary calling area all subscribers in the Albany and Capitol fundamental plan areas of the Los Angeles Exchange and all subscribers in the Alhambra, Glendale, and Pasadena Exchanges.

E. Subscribers located in suburban exchanges noncontiguous to the Los Angeles Exchange.

1. The net effect of zoning Los Angeles for interexchange rate purposes would be a reduction in the toll rates applicable for messages to and from certain sections of Los Angeles Exchange, and an increase in the rates applicable to messages to and from other sections of the Los Angeles Exchange. The reductions would be for the shorter routes and the increases for the longer routes. Due to the fact that communication interest in general decreases materially with distance, the net effect of this change in the basis of toll rate computations would be a reduction in the charges applicable to approximately four times as many messages as would be increased.

Some objections to the plan were heard in the later hearings. Representatives of the City of Beverly Hills desired

a reduction in rates for that section of the present Los Angeles Exchange. Viewing the Los Angeles Metropolitan Area as a whole, we are convinced that this request should not be granted on account of the high cost of rendering Los Angeles service in Beverly Hills. Southern California Telephone Company proposed the establishment of a separate Beverly Hills Exchange with certain rates for local service, certain exchange and base rate area boundaries, and a ten cent toll charge to all parts of the Los Angeles Exchange. We are unwilling to authorize these local rates on the high level requested and believe also that the toll rates from Beverly Hills to the Los Angeles Exchange should be modified as stated in the proposed plan.

Mr. Carl Bush, a resident of Hollywood, speaking in his own behalf, stated that if a Beverly Hills Exchange were established, he desired that the eastern boundary should be Doheny Drive instead of La Cienega Boulevard, as proposed by Mr. Harris, witness for the Southern California Telephone Company. Mr. Kenny, engineer for Beverly Hills, expressed no dissatisfaction with the proposed boundary at La Cienega Boulevard or the location of any portion of the proposed exchange or base rate area boundaries. Mr. Harry Barratt, for West Hollywood Chamber of Commerce, agreed with Mr. Bush relative to the eastern boundary of the proposed Beverly Hills Exchange. We conclude that the appropriate location of this boundary is near La Cienega Boulevard as more particularly described in the Order following.

The territory proposed by Mr. Harris, witness for Southern California Telephone Company, and the areas suggested by other witnesses for inclusion in the base rate area of the Beverly Hills Exchange, are all less extensive than we believe proper; hence, the

Order herein will designate a larger Beverly Hills base rate area than was proposed or suggested in this proceeding.

Between hearings in these matters, the Commission's engineers have attended many conferences with representatives of various cities and have explained the various phases of Mr. Watson's suggested plan and its application to particular areas and communities. We believe that the situation in South Pasadena, where one-half of the telephone subscribers pay ten cents per message to communicate with the other half, should no longer be tolerated. The plan suggested will remove this condition. Full Los Angeles telephone service without toll charges will be available under foreign exchange schedules. A section of the southeastern portion of the present Pasadena exchange area should be transferred to the Los Angeles exchange area. A description of this area and the portion thereof which should be included in the Los Angeles base rate area is included in the Order following.

In Case 3465, the City of Los Angeles filed maps and photographs of that portion of the Culver City exchange area which it urged should have a more satisfactory type of rate treatment. Mr. Watson's suggested plan would materially alleviate the present unsatisfactory rate and service situation near the common boundary of the Los Angeles and Culver City Exchanges. However, a small section of the Culver City exchange area, as particularly described in the Order following, should be transferred to the Los Angeles Exchange.

Mr. A. V. Guillou, public utilities engineer for the City of Los Angeles, stated with reference to the plan suggested by Mr. Watson, "It seems to me that the whole proposal leads to one very desirable feature which is at least partial elimination

of the boundary lines." He suggested that an expansion of the plan be made in order that various suburban exchanges not contiguous to the Los Angeles exchange area be included in the extended service area. Although this suggestion has certain merits, we believe it is inexpedient at this time to expand the plan suggested by the Commission witness.

The correctness of the plan was not seriously questioned from a technical standpoint but was objected to on account of its possible effect on certain business interests. It is axiomatic that in order properly to design a comprehensive type of rate and service treatment every conceivable variation and possible contingency should be given thorough consideration. This was done before the plan was ready for presentation.

Mr. Kenny, on cross-examination, voiced as his opinion that from the financial point of view the majority of the subscribers in the Beverly Hills area would be better off under the proposed plan than under the present basis of service, but that from a psychological point of view he did not favor the proposed plan as it applied to Beverly Hills. It was his belief that the public would not receive it favorably during the early period after its adoption.

Mr. F. N. Rush, Vice President and General Manager of Southern California Telephone Company, as a witness for the Company, urged consideration of what he viewed as its present unsatisfactory earning position. He stated that operation under the suggested plan would minimize the importance of the Los Angeles exchange boundary line, would increase the scope of exchange service, and recommended it as a permanent long-time plan. In summarizing the disadvantages of initiating the plan at this time, he gave as

his opinion that revenues would be reduced \$238,000. per year, that expenses would be increased \$142,000. per year, that it would cost \$475,000. to put the plan completely in effect, and would require additional capital expenditures of about \$700,000. Mr. Rush was hopeful that the Commission would not require "its establishment until a time when the future seems more predictable."

A careful consideration of the record in these cases inevitably leads to the conclusion that the establishment of the suggested plan in the Los Angeles Metropolitan Area will result in widespread advantages to the general public and that the occasional disadvantage to an individual or minority group will be small in comparison with the good accomplished. The plan will appeal to large groups of subscribers who are situated near boundaries which circumscribe their exchange calling area, although their communication interests extend beyond such boundaries and into adjacent territory. A very substantial and widespread benefit will accrue to the general public through the reduction of toll charges from ten cents to five cents for messages across the present Los Angeles exchange boundary, and through the complete elimination of such a toll charge for the extended service subscribers in suburban exchanges and large groups of Los Angeles subscribers.

The ultimate application of the plan contemplates the entire elimination of toll charges for extended service subscribers to and from all portions of the Los Angeles Exchange and those suburban exchanges in which extended service is offered. As the telephone usage increases due to the adoption of the plan, the remaining manual exchanges will rapidly be converted to dial operation with mechanical registration in order to obtain operating economies. The eventual recording and bulk billing

of the charges by message units (multiples of the exchange message rate) will result in lower bills for the similar service.

Preliminary to our decision as to the action which should be undertaken to more satisfactorily meet the requirements of telephone users in the Los Angeles Metropolitan Area, it should be observed that the telephone service arrangements have not kept pace with the business and residence movement. The telephone companies operating in the area have failed to present any comprehensive workable plan calculated to meet the changed conditions. We have given consideration to the statement of Mr. Rush approving the suggested plan in principle, but expressing a desire that its establishment be indefinitely postponed on account of the effect on the Company's revenues and net earnings, but we are not convinced that the Southern California Telephone Company will experience permanently the decrease in earnings estimated by its representatives. We believe that the adoption of a comprehensive fundamental plan for future service in this area should no longer be delayed. The record contains the information that it would require six months of preparation before the suggested plan could be placed in effect. An order directing the interested telephone companies to begin immediately the required preparations will be issued so that the widespread benefits of the plan may be received promptly by the general public.

The following form of Order directing the establishment of the suggested service and rate plan is recommended:

O R D E R

The Railroad Commission, in Cases Nos. 3477 and 3604, having instituted a proceeding upon its own motion inquiring into the practices, exchange areas, base rate areas, zones, service arrangements, etc. of Southern California Telephone Company, Associated Telephone Company, Ltd., Downey Home Telephone and Telegraph Company, Monrovia Telephone and Telegraph Company, San Fernando Telephone and Telegraph Company, Sierra Madre Telephone and Telegraph Company, Sunland Rural Telephone Company, and Whittier Home Telephone and Telegraph Company; the City of Beverly Hills, in Case No. 3413, having made complaint against Southern California Telephone Company re elimination of suburban mileage charges; the City of Los Angeles, in Case No. 3465, having made complaint against Southern California Telephone Company re change in telephone service plan; these several cases having been consolidated for hearing and decision; public hearings having been held and the matters having been submitted and now being ready for decision:

The Railroad Commission of the State of California, after full and careful consideration of the record in these proceedings and arguments of counsel, concludes and finds as follows, to wit:

1. The present service and rate plan now effective in the Los Angeles Metropolitan Area is unjust and unreasonable to the extent in which it differs from the modified and revised service and rate plan discussed and explained in the preceding Opinion and as set forth in this Order.

2. The Los Angeles exchange area should be re-centered for toll telephone service as discussed and explained in the preceding Opinion.

3. The service and rate plan proposed by the Commission's staff, as discussed in the preceding Opinion, should be established

and made effective at the earliest possible date in the interest of the general public.

4. Extended service and rates should be established in those certain suburban exchanges contiguous to the Los Angeles exchange area as discussed and defined in the preceding Opinion and as set forth in this Order.

5. The extended service plan with rates of charge should be made effective in the South Pasadena Rate Area section of the Pasadena exchange area coincident with its establishment elsewhere in the Los Angeles Metropolitan Area. Present Los Angeles exchange service and rates, except Los Angeles foreign exchange service in the Pasadena exchange area, as discussed in the preceding Opinion, should be discontinued as of the same date. The common boundary of the Los Angeles and Pasadena exchange areas should be re-located, as discussed in the preceding Opinion and defined in Exhibit "B" attached hereto.

6. A separate telephone exchange should be established for service in the Beverly Hills section of the present Los Angeles exchange area with exchange and base rate area boundaries and rates all as discussed and described in the preceding Opinion and as set forth in this Order.

7. That certain section of the Culver City exchange area discussed in the preceding Opinion and defined in Exhibit "B" attached hereto should be included within the base rate area of the Los Angeles Exchange.

8. The boundaries of the fundamental plan areas of the Los Angeles Exchange should be definitely located as of the date of the establishment of the service and rate plan heretofore discussed.

Basing its Order on the above findings of fact and such other findings of fact or conclusions as are contained in the Opinion preceding this Order,

IT IS HEREBY ORDERED that Southern California Telephone Company shall:

1. Establish a Beverly Hills telephone exchange with an exchange area as described in Exhibit "B" attached hereto.
2. Establish within the Beverly Hills exchange area a base rate area as described in Exhibit "B" attached hereto.
3. Establish rates for local telephone service in the area referred to in "1" above, as set forth in Exhibit "A" attached hereto and such other exchange telephone rates as may be approved, and discontinue all present Los Angeles service in the area.
4. Establish rates for interexchange telephone service and telegraph service between the Beverly Hills Exchange and outside points constructed on the basis generally effective in California.

IT IS HEREBY FURTHER ORDERED that Southern California Telephone Company shall:

1. Establish general rates for extended telephone service in the Beverly Hills Exchange as set forth in Exhibit "A" attached hereto.
2. Establish general rates for extended telephone service as set forth in the Opinion for the following areas: Alhambra, Culver City, Glendale, Hawthorne, Inglewood, Montebello, North Hollywood, and Pasadena Exchanges, the southern section of the Burbank Exchange as described in the Opinion, and the Compton and Gardena central office districts of the Compton-Hynes-Gardena Exchange.
3. Establish rates for extended private branch exchange services, apartment house private system service, tie line service, and multiple line key cabinet service applicable to extended service in the areas referred to in "1" and "2" above at the rates now in effect for the Los Angeles Exchange; and such other miscellaneous extended service rates as may be approved.

4. Establish primary calling areas for telephone service under extended rates in each of the areas referred to in "1" and "2" above, as defined in the Commission's Exhibit No. 34, Section No. 1, filed at the hearing herein.

5. Revise and add such definitions, rules and regulations as may be necessary to conform to the terms of this Order.

6. Establish a rule that a service furnished under extended rates will not be established on the same premises as a service furnished under local rates.

IT IS HEREBY FURTHER ORDERED that Southern California Telephone Company shall:

1. Modify its Los Angeles exchange area boundary, its Los Angeles base rate area boundary, and its Pasadena exchange area boundary located between the northern and southern city limit boundaries of the City of South Pasadena, as described in Exhibit "B" attached hereto.

2. Discontinue all Pasadena service in that certain section herein transferred from the Pasadena Exchange to the Los Angeles Exchange.

3. Withdraw its exchange service schedules applicable to Los Angeles service in the South Pasadena Rate Area.

4. Modify its Los Angeles and Culver City exchange and base rate area boundaries generally between Washington Boulevard and the intersection of La Cienega Boulevard with Airdrome Street, as described in Exhibit "B" attached hereto.

5. Discontinue all Culver City service in that certain section herein transferred from the Culver City Exchange to the Los Angeles Exchange.

6. Revise its Los Angeles exchange service schedules to define primary calling areas for subscribers served from the various Los Angeles central offices in accordance with Exhibit No. 34,

Section No. 2, referred to above.

7. Revise the method of computing interexchange rates for the Los Angeles Exchange as set forth in the preceding Opinion.

8. Revise its interexchange telephone rate schedules to conform to the "suggested" rates set forth in Exhibit No. 34, Section No. 3, referred to above, except that portion which refers to the Oxford area of the Los Angeles Exchange.

9. File revised interexchange telephone rates based on the location of the Norwalk Post Office as the toll rate center for the Norwalk, Bellflower, and Artesia central office districts of the Downey Exchange.

10. File revised interexchange telephone rates based on the location of the Roscoe Post Office as the toll rate center for that section of the Burbank Exchange lying north of the common boundary of the cities of Burbank and Los Angeles, and west of the north and south half section line of Section 34, Township 2 North, Range 14 West.

IT IS HEREBY FURTHER ORDERED that Southern California Telephone Company shall:

1. Establish Los Angeles business and residence individual line and private branch exchange foreign exchange service and residence two-party line message rate foreign exchange service in Beverly Hills on the same basis as similar service will be rendered in other areas under the terms of this Order.

2. Withdraw requirements that subscribers to Los Angeles foreign exchange service in those exchanges which will be contiguous to the Los Angeles Exchange as a result of this Order, have service of the exchange from which local service normally would be rendered on the subscriber's premises.

3. Discontinue Los Angeles residence two-party line flat

rate foreign exchange service and withdraw the rates applicable thereto for those exchanges which will be contiguous to the Los Angeles Exchange as a result of this Order.

4. Discontinue Los Angeles residence two-party line message rate foreign exchange service beyond the first one-half mile from the Los Angeles exchange area boundary and withdraw the rates applicable thereto for those exchanges which will be contiguous to the Los Angeles Exchange as a result of this Order.

5. Discontinue the present Los Angeles foreign exchange service and withdraw the rates applicable thereto in the Van Nuys Exchange.

6. Establish a rule in its foreign exchange service schedules that the Los Angeles exchange area will be the primary calling area for Los Angeles foreign exchange subscribers located in exchanges which will be contiguous to the Los Angeles Exchange as a result of this Order.

7. Change its Los Angeles individual line business foreign exchange mileage rate from \$3.00 for each one-half mile or fraction thereof to \$1.50 for each one-quarter mile or fraction thereof, applicable in all of its exchanges which will be contiguous to the Los Angeles Exchange as a result of this Order.

IT IS HEREBY FURTHER ORDERED that Southern California Telephone Company shall:

1. Submit to the Railroad Commission for filing, maps setting forth new and revised exchange and base rate area boundaries; maps setting forth primary calling areas for extended service subscribers; new and revised rates for local, extended, and inter-exchange service; and definitions, rules and regulations, on or before fifteen (15) days immediately preceding the effective date of the changes herein ordered.

2. Discontinue all services and withdraw all rates and charges which may be in conflict with the services, rates and charges herein authorized as of the effective date of these changes herein ordered.

IT IS HEREBY FURTHER ORDERED that Downey Home Telephone and Telegraph Company shall:

1. Establish rates for extended business and residence individual line service for the Downey central office district, as set forth in the Opinion preceding this Order; and such other extended service rates as may be approved.

2. Establish a primary calling area for telephone service under extended rates in the Downey central office district as described in Exhibit No. 34, Section No. 1, referred to above.

3. Revise and add such definitions, rules and regulations as may be necessary to conform to the terms of this Order.

4. Establish a rule that a service furnished under extended service rates will not be established on the same premises as a service furnished under local rates.

5. Withdraw all requirements that subscribers to Los Angeles foreign exchange service in the Downey Exchange have service of the exchange from which local service normally would be rendered on the subscriber's premises.

6. Discontinue Los Angeles residence two-party and four-party line flat rate foreign exchange service and withdraw the rates applicable thereto in the Downey Exchange.

7. Discontinue Los Angeles two-party line message rate foreign exchange service in the Downey exchange area and withdraw the rates applicable thereto in the area beyond the first one-half mile from the Los Angeles exchange area boundary.

8. Establish a rule in its foreign exchange service sched-

ules that the Los Angeles exchange area will be the primary calling area for Los Angeles foreign exchange subscribers located in exchanges which will be contiguous to the Los Angeles Exchange.

IT IS HEREBY FURTHER ORDERED that Downey Home Telephone and Telegraph Company shall:

1. Submit to the Railroad Commission for filing a map setting forth the primary calling areas for extended service subscribers, new and revised rates and charges, and definitions, rules and regulations, on or before fifteen (15) days immediately preceding the effective date of the establishment of the new service.

IT IS HEREBY FURTHER ORDERED that Associated Telephone Company, Ltd. shall:

1. Discontinue its present Los Angeles foreign exchange service and withdraw the rates applicable thereto in its West Los Angeles Exchange.

IT IS HEREBY FURTHER ORDERED that Southern California Telephone Company, Downey Home Telephone and Telegraph Company, and Associated Telephone Company, Ltd. shall:

1. Make effective all changes set forth in this Order at the same time, which shall be on or before August 1, 1934.

IN CASE NO. 3413,

The City of Beverly Hills having filed a formal complaint requesting that the Commission order Southern California Telephone Company to discontinue certain mileage charges, and it appearing that the request as made should be denied, that a separate Beverly Hills Exchange should be established and included in the service and rate plan herein ordered made effective,

IT IS HEREBY FURTHER ORDERED that this complaint, Case No. 3413, be and the same is hereby dismissed.

IN CASE NO. 3465,

The City of Los Angeles having filed a formal complaint requesting the Commission to order Southern California Telephone Company to include a certain section of the Culver City exchange area in the primary rate area of the Los Angeles Exchange or to file optional rate schedules, and it appearing that complainants will receive satisfactory relief under the service and rate plan herein ordered made effective,

IT IS HEREBY FURTHER ORDERED that this complaint, Case No. 3465, be and the same is hereby dismissed.

IT IS HEREBY FURTHER ORDERED that jurisdiction be and the same is retained of this matter for the purpose of such supplemental orders herein as may be necessary and proper in the premises.

Except as otherwise ordered herein, the effective date of this Order shall be twenty (20) days from and after the date hereof.

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 TH 10
day of January, 1934.

W. C. Weaver
Leon White
W. H. Lee
M. B. Harris
W. H. Harris
Commissioners.

EXHIBIT "A"

RATES

XIV

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EXCHANGE SERVICE SCHEDULE NO. A-

INDIVIDUAL LINE AND PARTY LINE SERVICE

BEVERLY HILLS

SERVICE:

Applicable to business and residence individual line and party line flat rate service furnished within the base rate area of the Beverly Hills Exchange.

RATE:

	<u>Rate Per Month</u>
(1) Business Flat Rate Service:	
Each individual line desk set station	\$4.25
Each two-party line desk set station	3.75
Each extension desk set station	1.25
(2) Residence Flat Rate Service:	
Each individual line desk set station	3.00
Each two-party line desk set station	2.50
Each extension desk set station	.75
Each wall set station - desk set station rate less \$.25 per month.	
Each hand set station - desk set station rate plus \$.25 per month.	

CONDITIONS:

(1) Individual line and party line services will be provided outside the base 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 off-premises extension stations.

EXCHANGE SERVICE SCHEDULE NO. A-

COMMERCIAL MANUAL AND DIAL PRIVATE BRANCH
EXCHANGE SERVICE

BEVERLY HILLS

SERVICE:

Applicable to commercial private branch exchange flat rate service furnished within the base rate area of the Beverly Hills Exchange.

RATE:

(1) Manual Equipment Rate:

Each switchboard position with battery and ringing power supply circuits and switchboard telephone including dial where required:

Cordless Type Switchboard: Rate Per Month

Capacity 3 trunk lines and 7 stations	\$4.00
Capacity 5 trunk lines and 12 stations	5.00

Cord Type Switchboard:

Non-multiple 40 lines or less	6.00
Non-multiple 41 to 80 lines	10.00
Non-multiple over 80 lines	12.50
Multiple, per position	18.00
Multiple station jacks or lamp sockets, in excess of one per line, per strip of 20 or portion thereof installed	.20
Multiple trunk jacks or lamp sockets, in excess of one per line, per strip of 10 or portion thereof installed	.10

Attendant's Cabinet:

Capacity 10 trunk lines and 88 stations	7.50
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(2) Mechanical Equipment Rate:

Each selector	2.00
Each selector-connector	2.50
Each connector	2.50
Each dial trunk between mechanical equipment and switchboard	1.00
Battery and power supply equipment - each selector, each connector, each selector-connector, each dial station connected to the mechanical switches	.15
Mechanical equipment of tie lines to other private branch exchanges:	
Arranged to select mechanical stations, but not to be selected by mechanical stations	2.00
Arranged to be selected by mechanical stations, but not to select mechanical stations	2.00
Arranged to select and to be selected by mechanical stations	4.00
Minimum charge	35.00

EXCHANGE SERVICE SCHEDULE NO. A-

COMMERCIAL MANUAL AND DIAL PRIVATE BRANCH
EXCHANGE SERVICE - Continued

BEVERLY HILLS

RATE: - Continued

	<u>Rate Per Month</u>
(3) Trunk Rate:	
Each trunk line	\$6.00
(4) Station Rate:	
Each desk set station, with or without dial	1.25
Each wall set station - desk set station rate less \$.25 per month.	
Each hand set station - desk set station rate plus \$.25 per month.	

CONDITIONS:

(1) Each commercial private branch exchange system will consist of at least one switchboard position, or attendant's cabinet, two trunk lines and four stations, excluding switchboard telephone.

(2) Commercial private branch exchange service will be provided outside the base rate area and within the exchange area at the above rates and mileage rates.

(3) A subsidiary private branch exchange comprising the mechanical equipment of a dial private branch exchange system, with dial equipped stations, will be furnished at a location off-premises from the main system. Connection with the main system will be provided by means of tie lines at rates in effect for such lines. Direct connection with the central office for outgoing service may be provided by means of trunk lines at rates and conditions in effect for such lines when connected to the main private branch exchange system.

(4) Stations at the above rates are installed on the premises on which the switchboard, attendant's cabinet or subsidiary private branch exchange is located. The above rates and mileage rates are applicable to off-premises stations.

(5) When operating conditions make it necessary to install an isolated power plant in connection with manual equipment on a subscriber's premises, the Company will require the subscriber to furnish the electrical energy necessary for its operation.

(6) The supplemental equipment to provide the mechanical features of the system will be furnished by the Company subject to regulations as set forth under (a) or (b) following:

(a) An initial payment, payable upon request, prior to the installation of the equipment, not to exceed one-half of the cost of the equipment and its installation, may be made to the Company by the subscriber. If such equipment is retained for a period of one year or more by the subscriber in conjunction with exchange service, the Company will pay to the subscriber the following amounts, provided the subscriber retains service throughout the respective period for which the payment applies and further, provided that the subscriber has paid any and all sums due and payable to the Company:

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EXCHANGE SERVICE SCHEDULE NO. A-

COMMERCIAL MANUAL AND DIAL PRIVATE BRANCH
EXCHANGE SERVICE - Continued

BEVERLY HILLS

CONDITIONS: - Continued

On expiration of first year following installation, 20% of initial payment,
On expiration of second year following installation, 20% of initial payment,
On expiration of third year following installation, 20% of initial payment,
On expiration of fourth year following installation, 20% of initial payment,
On expiration of fifth year following installation, 20% of initial payment.

In addition to the above payment, interest will be paid on each payment made and on the unpaid balance at the rate of 6 per cent per annum.

(b) The Company may enter into a contract with the subscriber requiring, that if the equipment is not retained by the subscriber in conjunction with exchange service for a period of five years, the subscriber will pay to the Company, upon request, an amount not to exceed that determined as follows:

If discontinued before the end of the first year, 50% of the cost of the equipment and installation,
If discontinued during the second year, 40% of the cost of the equipment and installation,
If discontinued during the third year, 30% of the cost of the equipment and installation,
If discontinued during the fourth year, 20% of the cost of the equipment and installation,
If discontinued during the fifth year, 10% of the cost of the equipment and installation.

(c) The Company has the option of applying either of the regulations under section (a) or (b).

(7) The electrical energy necessary to operate the power plant for the supplemental mechanical equipment shall be supplied by the subscriber at his expense.

EXCHANGE SERVICE SCHEDULE NO. A-

ORDER RECEIVING EQUIPMENT SERVICE

BEVERLY HILLS

SERVICE:

Applicable to order receiving equipment flat rate service furnished within the base rate area of the Beverly Hills Exchange.

RATE:

Rate Per Month

- (1) Single-Position Turret:
 - (a) Each single-position turret, fully equipped for one private branch exchange turret line and one supplementary outward line, including one attendant's telephone with dial where required \$2.00
 - (b) Each private branch exchange turret line 1.00
 - (c) Each individual business line terminating on turret 4.25

- (2) Multi-Position Turret:
 - (a) Each two-position turret, fully equipped for 10 lines, including two attendants' telephones with dials where required 7.50
 - (b) Each four-position turret, fully equipped for 10 lines, including four attendants' telephones with dials where required and multiple jack equipment for 20 lines 15.00
Extra multiple jack equipment for 20 lines, per turret .40
 - (c) Each private branch exchange turret line 1.00
 - (d) Each call circuit 1.00
 - (e) Each line for multiplying order turret trunks to private branch exchange switchboard 1.00
 - (f) Each desk set station 1.25
Each wall set station - desk set station rate less \$.25 per month.
Each hand set station - desk set station rate plus \$.25 per month.
 - (g) Each trunk line 6.00

CONDITIONS:

(1) Order receiving equipment will be installed off the premises on which the switchboard is located at the above rates and mileage rates applicable to lines between the order receiving equipment and the private branch exchange switchboard. Stations will be installed off the premises on which the order receiving equipment is located at the above station rates and mileage rates.

(2) Order receiving equipment service will be provided outside the base rate area and within the exchange area at the above rates and mileage rates.

(3) Multi-position order boards will be furnished at the above unit rates.

(4) When operating conditions make it necessary to install an isolated power plant on a subscriber's premises, the Company will require the subscriber to furnish the electrical energy necessary for its operation.

EXCHANGE SERVICE SCHEDULE NO. A-

HOTEL MANUAL AND DIAL PRIVATE BRANCH
EXCHANGE SERVICE

BEVERLY HILLS

SERVICE:

Applicable to hotel private branch exchange message rate service furnished within the base rate area of the Beverly Hills Exchange.

RATE:

(1) Manual Equipment Rate:

Each switchboard position with battery and ringing power supply circuits and switchboard telephone, including dial where required:

Rate Per Month

Cordless Type Switchboard:

Capacity 3 trunk lines and 7 stations	\$4.00
Capacity 5 trunk lines and 12 stations	5.00

Cord Type Switchboard:

Non-multiple 40 lines or less	6.00
Non-multiple 41 to 80 lines	10.00
Non-multiple over 80 lines	12.50
Multiple, per position	18.00
Multiple station jacks or lamp sockets, in excess of one per line, per strip of 20 or portion thereof installed	.20
Multiple trunk jacks or lamp sockets, in excess of one per line, per strip of 10 or portion thereof installed	.10

(2) Mechanical Equipment Rate:

Each selector	2.00
Each selector-connector	2.50
Each connector	2.50
Each dial trunk between mechanical equipment and switchboard	1.00
Battery and power supply equipment - each selector, each connector, each selector-connector, each dial station connected to the mechanical switches	.15
Mechanical equipment of tie lines to other private branch exchanges:	
Arranged to select mechanical stations, but not to be selected by mechanical stations	2.00
Arranged to be selected by mechanical stations but not to select mechanical stations	2.00
Arranged to select and to be selected by mechanical stations	4.00
Minimum charge	35.00

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EXCHANGE SERVICE SCHEDULE NO. A-

HOTEL MANUAL AND DIAL PRIVATE BRANCH
EXCHANGE SERVICE - Continued

BEVERLY HILLS

RATE: - Continued

Rate Per Month

(3) Trunk Rate

No Charge

(4) Message Rate:

Each exchange message, \$.05

(5) Station Rate:

Each desk set station not in guest room,
with or without dial \$1.00

Each desk set station in guest room, with
or without dial .60

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

Each hand set station - desk set station rate
plus \$.25 per month.

CONDITIONS:

(1) Each hotel private branch exchange system will consist of at least one switchboard position and four stations, excluding switchboard telephone. Trunks sufficient to meet the traffic demand will be furnished by the Company without additional charge to the subscriber.

(2) Hotel private branch exchange service will be provided outside the base rate area and within the exchange area at the above rates and mileage rates.

(3) The above rates are applicable to private branch exchange service furnished to hotels, rooming and apartment houses. In those cases where the use of the service for hotel, club and apartment house purposes is incidental to the total use of service, the hotel station rate will apply to those stations located in rooms let to people for living quarters.

(4) A subsidiary private branch exchange comprising the mechanical equipment of a dial private branch exchange system, with dial equipped stations, will be furnished at a location off-premises from the main system. Connection with the main system will be provided by means of tie lines at rates in effect for such lines. Direct connection with the central office for outgoing service may be provided by means of trunk lines at rates and conditions in effect for such lines when connected to the main private branch exchange system.

EXCHANGE SERVICE SCHEDULE NO. A-HOTEL MANUAL AND DIAL PRIVATE BRANCH
EXCHANGE SERVICE - ContinuedBEVERLY HILLSCONDITIONS: - Continued

(5) Stations at the above rates are installed on the premises on which the switchboard or subsidiary private branch exchange is located. The above rates and mileage rates are applicable to off-premises stations.

(6) When operating conditions make it necessary to install an isolated power plant in connection with manual equipment on a subscriber's premises, the Company will require the subscriber to furnish the electrical energy necessary for its operation.

(7) The supplemental equipment to provide the mechanical features of the system will be furnished by the Company subject to regulations as set forth under (a) or (b) following:

(a) An initial payment, payable upon request, prior to the installation of the equipment, not to exceed one-half of the cost of the equipment and its installation, may be made to the Company by the subscriber. If such equipment is retained for a period of one year or more by the subscriber in conjunction with exchange service, the Company will pay to the subscriber the following amounts, provided the subscriber retains service throughout the respective period for which the payment applies and further, provided that the subscriber has paid any and all sums due and payable to the Company:

- On expiration of first year following installation,
20% of initial payment,
- On expiration of second year, following installation,
20% of initial payment,
- On expiration of third year following installation,
20% of initial payment,
- On expiration of fourth year following installation,
20% of initial payment,
- On expiration of fifth year following installation,
20% of initial payment.

In addition to the above payment, interest will be paid on each payment made and on the unpaid balance at the rate of 6 per cent per annum.

(b) The Company may enter into a contract with the subscriber requiring that, if the equipment is not retained by the subscriber in conjunction with exchange service for a period of five years, the subscriber will pay to the Company, upon request, an amount not to exceed that determined as follows:

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EXCHANGE SERVICE SCHEDULE NO. A- --

HOTEL MANUAL AND DIAL PRIVATE BRANCH
EXCHANGE SERVICE - Continued

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10 26
BEVERLY HILLS

CONDITIONS: - Continued:

(7) (b) - Continued:

- If discontinued before the end of the first year, 50% of the cost of the equipment and installation,
- If discontinued during the second year, 40% of the cost of the equipment and installation,
- If discontinued during the third year, 30% of the cost of the equipment and installation,
- If discontinued during the fourth year, 20% of the cost of the equipment and installation,
- If discontinued during the fifth year, 10% of the cost of the equipment and installation.

(c) The Company has the option of applying either of the regulations under section (a) or (b).

(8) The electrical energy necessary to operate the power plant for the supplemental mechanical equipment will be supplied by the subscriber at his expense.

EXCHANGE SERVICE SCHEDULE NO. A-

RESIDENCE MANUAL AND DIAL PRIVATE BRANCH
EXCHANGE SERVICE

BEVERLY HILLS

SERVICE:

Applicable to residence private branch exchange flat rate service furnished within the base rate area of the Beverly Hills Exchange.

RATE:

(1) Manual Equipment Rate:

Each switchboard position with battery and ringing power supply circuits and switchboard telephone including dial where required:

Cordless Type Switchboard: Rate Per Month

Capacity 3 trunk lines and 7 stations \$4.00
Capacity 5 trunk lines and 12 stations 5.00

Cord Type Switchboard:

Non-multiple 40 lines or less 6.00
Non-multiple 41 to 80 lines 10.00
Non-multiple over 80 lines 12.50
Multiple, per position 18.00
Multiple station jacks or lamp sockets, in excess of one per line, per strip of 20 or portion thereof installed .20
Multiple trunk jacks or lamp sockets, in excess of one per line, per strip of 10 or portion thereof installed .10

Attendant's Cabinet:

Capacity 10 trunk lines and 88 stations 7.50

(2) Mechanical Equipment Rate:

Each selector 2.00
Each selector-connector 2.50
Each connector 2.50
Each dial trunk between mechanical equipment and switchboard 1.00
Battery and power supply equipment - each selector, each connector, each selector-connector, each dial station connected to the mechanical switches .15
Mechanical equipment of tie lines to other private branch exchanges:
Arranged to select mechanical stations, but not to be selected by mechanical stations 2.00
Arranged to be selected by mechanical stations, but not to select mechanical stations 2.00
Arranged to select and to be selected by mechanical stations 4.00
Minimum charge 35.00

EXCHANGE SERVICE SCHEDULE NO. A-

RESIDENCE MANUAL AND DIAL PRIVATE BRANCH
EXCHANGE SERVICE - Continued

BEVERLY HILLS

RATE: - Continued

Rate Per Month

(3) Trunk Rate:

Each trunk line \$4.25

(4) Station Rate:

Each desk set station, with or without dial .75

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

Each hand set station - desk set station rate
plus \$.25 per month.

CONDITIONS:

(1) Each residence private branch exchange system will consist of at least one switchboard position, or attendant's cabinet, one trunk line and four stations, excluding switchboard telephone.

(2) Residence private branch exchange service will be provided outside the base rate area and within the exchange area at the above rates and mileage rates.

(3) A subsidiary private branch exchange comprising the mechanical equipment of a dial private branch exchange system, with dial equipped stations, will be furnished at a location off-premises from the main system. Connection with the main system will be provided by means of tie lines at rates in effect for such lines. Direct connection with the central office for outgoing service may be provided by means of trunk lines at rates and conditions in effect for such lines when connected to the main private branch exchange system.

(4) Stations at the above rates will be installed on the premises on which the switchboard, attendant's cabinet, or subsidiary private branch exchange is located. The above rates and mileage rates are applicable to off-premises stations.

(5) When operating conditions make it necessary to install an isolated power plant in connection with manual equipment on a subscriber's premises, the Company will require the subscriber to furnish the electrical energy necessary for its operation.

(6) The supplemental equipment to provide the mechanical features of the system will be furnished by the Company subject to regulations as set forth under (a) or (b) following:

(a) An initial payment, payable upon request, prior to the installation of the equipment, not to exceed one-half of the cost of the equipment and its installation, may be

EXCHANGE SERVICE SCHEDULE NO. A-RESIDENCE MANUAL AND DIAL PRIVATE BRANCH
EXCHANGE SERVICE - ContinuedBEVERLY HILLSCONDITIONS: - Continued

(6)-(a) Continued:

made to the Company by the subscriber. If such equipment is retained for a period of one year or more by the subscriber in conjunction with exchange service, the Company will pay to the subscriber the following amounts, provided the subscriber retains service throughout the respective period for which the payment applies and further, provided that the subscriber has paid any and all sums due and payable to the Company:

- On expiration of first year following installation, 20% of initial payment,
- On expiration of second year following installation, 20% of initial payment,
- On expiration of third year following installation, 20% of initial payment,
- On expiration of fourth year following installation, 20% of initial payment,
- On expiration of fifth year following installation, 20% of initial payment.

In addition to the above payment, interest will be paid on each payment made and on the unpaid balance at the rate of 6 per cent per annum.

(b) The Company may enter into a contract with the subscriber requiring that, if the equipment is not retained by the subscriber in conjunction with exchange service for a period of five years, the subscriber will pay to the Company, upon request, an amount not to exceed that determined as follows:

- If discontinued before the end of the first year, 50% of the cost of the equipment and installation,
- If discontinued during the second year, 40% of the cost of the equipment and installation,
- If discontinued during the third year, 30% of the cost of the equipment and installation,
- If discontinued during the fourth year, 20% of the cost of the equipment and installation,
- If discontinued during the fifth year, 10% of the cost of the equipment and installation.

(c) The Company has the option of applying either of the regulations under section (a) or (b).

(7) The electrical energy necessary to operate the power plant for the supplemental mechanical equipment will be supplied by the subscriber at his expense.

EXCHANGE SERVICE SCHEDULE NO. A-

BUSINESS INTERCOMMUNICATING SYSTEM SERVICE

BEVERLY HILLS

SERVICE:

Applicable to business intercommunicating system flat rate service furnished within the base rate area of the Beverly Hills Exchange.

RATE:

Rate Per Month

(1) Switching Device Rate:

Each switching device on same premises as receiving station:

10-line switching device	\$1.25
20-line switching device	1.50
30-line switching device	1.75

Each switching device not on same premises as receiving station and not more than 300 feet, circuit measurement, from receiving station--Above rates plus \$.75.

(2) Station Rate:

Each wall set station	1.00
Each desk set station	1.25
Each hand set station	1.50

(3) Trunk Rate:

Each trunk line	6.00
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CONDITIONS:

(1) Each business intercommunicating system will consist of at least two trunk lines and four stations, including receiving stations.

(2) The above rates are applicable to service provided within the base rate area. Service will be provided outside the base rate area and within the exchange area at the above rates and mileage rates.

EXCHANGE SERVICE SCHEDULE NO. A-

RESIDENCE INTERCOMMUNICATING SYSTEM SERVICE

BEVERLY HILLS

SERVICE:

Applicable to residence intercommunicating system flat rate service furnished within the base rate area of the Beverly Hills Exchange.

RATE:

Rate Per Month

(1) Switching Device Rate:

Each switching device on same premises as primary station:

12-line switching device	\$1.25
24-line switching device	1.50
36-line switching device	1.75

Each switching device not on same premises as primary station and not more than 300 feet, circuit measurement, from primary station--Above rates plus \$.75.

(2) Station Rate:

Each wall set station	.50
Each desk set station	.75
Each hand set station	1.00

(3) Trunk Rate:

Each trunk line	4.25
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CONDITIONS:

(1) Each residence intercommunicating system will consist of at least one trunk line and three stations.

(2) The above rates are applicable to service provided within the base rate area. Service will be provided outside the base rate area and within the exchange area at the above rates and mileage rates.

EXCHANGE SERVICE SCHEDULE NO. A-

BUSINESS DIAL PRIVATE BRANCH EXCHANGE
SYSTEM SERVICE

BEVERLY HILLS

SERVICE:

Applicable to business dial private branch exchange system flat rate service furnished within the base rate area of the Beverly Hills Exchange.

RATE:

Rate Per Month

(1) Switching Equipment Rate:

Switching equipment - including:	
Two selectors and power plant arranged for 2 trunk and 8 station lines	\$10.00
Three selectors and power plant arranged for 3 trunk and 15 station lines	15.00

(2) Control Cabinet Rate:

Each control cabinet for connecting trunks to keyless stations, including wiring to switching equipment	1.50
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(3) Trunk Lamp Indicator Rate:

Each trunk lamp indicator	.25
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(4) Station Rate:

Key Stations:

On same premises as switching equipment:	
Each hand set station with key unit in base	1.75
Each wall set station with separate key unit	1.50
Each desk set station with separate key unit	1.75
Each hand set station with separate key unit	2.00

Not on same premises as switching equipment and not more than 300 feet, circuit measurement, from switching equipment, above rates plus \$.75.

Keyless Stations:

Each wall set station	1.00
Each desk set station	1.25
Each hand set station	1.50

(5) Trunk Rate:

Each trunk line	6.00
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CONDITIONS:

(1) Each business dial private branch exchange system will consist of at least two trunk lines and four stations, including receiving stations.

EXCHANGE SERVICE SCHEDULE NO. A-

BUSINESS DIAL PRIVATE BRANCH EXCHANGE
SYSTEM SERVICE - Continued

BEVERLY HILLS

CONDITIONS: - Continued

(2) One bell per trunk, or one bell common to all trunks if desired, located at the receiving station, will be provided with business dial private branch exchange system trunks at the above rates. In addition, a maximum of four trunk lamp indicators may be provided at key stations at regular rates.

(3) Keyless stations at the above rates will be installed on the premises on which the switching equipment is located. The above rates and mileage rates are applicable to off-premises keyless stations.

(4) The above rates are applicable to service provided within the base rate area. Service will be provided outside the base rate area and within the exchange area at the above rates and mileage rates.

(5) When operating conditions make it necessary to install charging equipment for the power plant located on the subscriber's premises, the Company will require the subscriber to furnish, at his expense, the electrical energy necessary for its operation.

EXCHANGE SERVICE SCHEDULE NO. A-

RESIDENCE DIAL PRIVATE BRANCH EXCHANGE
SYSTEM SERVICE

BEVERLY HILLS

SERVICE:

Applicable to residence dial private branch exchange system flat rate service furnished within the base rate area of the Beverly Hills Exchange.

RATE:

Rate Per Month

(1) Switching Equipment Rate:

Switching equipment - including:	
Two selectors and power plant arranged for 2 trunk and 8 station lines	\$10.00
Three selectors and power plant arranged for 3 trunk and 15 station lines	15.00

(2) Control Cabinet Rate:

Each control cabinet for connecting trunks to keyless stations, including wiring to switching equipment	1.50
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(3) Trunk Lamp Indicator Rate:

Each trunk lamp indicator	.25
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(4) Station Rate:

Key Stations:

On same premises as switching equipment:	
Each hand set station with key unit in base	1.25
Each wall set station with separate key unit	1.00
Each desk set station with separate key unit	1.25
Each hand set station with separate key unit	1.50

Not on same premises as switching equipment and not more than 300 feet, circuit measurement, from switching equipment, above rates plus \$.75.

Keyless Stations:

Each wall set station	.50
Each desk set station	.75
Each hand set station	1.00

(5) Trunk Rate:

Each trunk line	4.25
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CONDITIONS:

(1) Each residence dial private branch exchange system will consist of at least one trunk line and four stations, including receiving stations.

EXCHANGE SERVICE SCHEDULE NO. A-

RESIDENCE DIAL PRIVATE BRANCH EXCHANGE
SYSTEM SERVICE - Continued

BEVERLY HILLS

CONDITIONS: - Continued

(2) One bell per trunk, or one bell common to all trunks if desired, located at the receiving station, will be provided with residence dial private branch exchange system trunks at the above rates. In addition, a maximum of four trunk lamp indicators may be provided at key stations at regular rates.

(3) Keyless stations at the above rates will be installed on the premises on which the switching equipment is located. The above rates and mileage rates are applicable to off-premises keyless stations.

(4) The above rates are applicable to service provided within the base rate area. Service will be provided outside the base rate area and within the exchange area at the above rates and mileage rates.

(5) When operating conditions make it necessary to install charging equipment for the power plant located on the subscriber's premises, the Company will require the subscriber to furnish, at his expense, the electrical energy necessary for its operation.

EXCHANGE SERVICE SCHEDULE NO. A-

SUBURBAN SERVICE

BEVERLY HILLS

SERVICE:

Applicable to suburban ten-party line flat rate service furnished in the suburban area of the Beverly Hills Exchange.

RATE:

Rate Per Month

(1) Business Flat Rate Service:	
Each ten-party line desk set station	\$3.75
Each extension desk set station, without bell	1.25
(2) Residence Flat Rate Service:	
Each ten-party line desk set station	3.25
Each extension desk set station, without bell	.75

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

Each hand set station - desk set station rate plus \$.25 per month.

CONDITIONS:

(1) Suburban service will be rendered outside the base rate area but within the exchange area. In no case will the total number of primary stations connected to one circuit exceed ten (10) stations.

(2) Extension stations at the above rates are installed on the same premises on which the primary station is located.

EXCHANGE SERVICE SCHEDULE NO. A-

MULTIPLE LINE KEY CABINET SERVICE

BEVERLY HILLS

SERVICE:

Applicable to multiple line key cabinet service furnished within the base rate area of the Beverly Hills Exchange.

RATE:

Rate Per Month

(a) Each multiple line key cabinet, fully equipped for three lines, including attendant's desk telephone with dial where required, per position	\$1.00
(b) Each multiple line key cabinet, fully equipped for six lines, including attendant's desk telephone with dial where required, per position	1.75
(c) Each hand set in place of attendant's desk set	.25
(d) Each private branch exchange line terminating on cabinet	1.00
(e) Each multiple line to another cabinet	1.00
(f) Each call circuit between cabinets	1.00
(g) Each desk set station, without dial	1.25
Each wall set station - desk set station rate less \$.25 per month.	
Each hand set station - desk set station rate plus \$.25 per month.	
(h) Each individual business line terminating on cabinet	4.25

CONDITIONS:

(1) Each multiple line key cabinet system will consist of at least one key cabinet and two central office or private branch exchange station lines.

(2) Multiple line key cabinet service will be provided outside the base rate area and within the exchange area at the above rates and mileage rates.

(3) Stations connected to call circuits will be furnished only on the same premises as the multiple line key cabinets and may be provided with buzzer equipment at rates shown in the supplemental equipment schedule.

(4) Stations at the above rates are installed on the premises on which the multiple line key cabinets are located. The above rates and mileage rates are applicable to off-premises stations.

EXCHANGE SERVICE SCHEDULE NO. A-

EXTENDED INDIVIDUAL LINE AND PARTY
LINE SERVICE

BEVERLY HILLS

SERVICE:

Applicable to extended business individual line message rate service and extended residence individual line and party line flat rate and message rate service furnished within the base rate area of the Beverly Hills Exchange.

RATE:

Rate Per Month

- (1) Extended Business Message Rate Service:
 - Each individual line desk set station, including 85 exchange messages, or less, per month \$5.50
 - All over 85 exchange messages per month, per message, \$.035.
 - Each extension desk set station 1.00
- (2) Extended Residence Flat Rate Service:
 - Each individual line desk set station 4.25
 - Each two-party line desk set station 3.25
 - Each extension desk set station .75
- (3) Extended Residence Message Rate Service:
 - Each two-party line desk set station, including 60 exchange messages, or less, per month 2.75
 - All over 60 exchange messages per month, per message, \$.035.
 - Each extension desk set station .75

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

CONDITIONS:

(1) Extended individual line and party line services will be provided outside the base 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 off-premises extension stations.

(3) Service under the above rates is available throughout a primary calling area which comprises the Beverly Hills, Culver City, and North Hollywood Exchanges and the Drexel, Hollywood, Olympia, Republic, and Whitney fundamental plan areas of the Los Angeles Exchange.

EXCHANGE SERVICE SCHEDULE NO. A-EXTENDED SEMI-PUBLIC SERVICE--
INDIVIDUAL LINEBEVERLY HILLSSERVICE:

-Applicable to extended semi-public coin-box service furnished within the base rate area of the Beverly Hills Exchange.

RATE:

	<u>Rate</u>
Each extended individual line coin-box wall set station:	
Minimum charge per day	\$.25
Each exchange message	.05
Each extension wall set station without coin-box, per month	.75
Each extension desk set station without coin-box, per month	1.00
Each extension hand set station without coin-box, per month	1.25

CONDITIONS:

(1) Extended semi-public coin-box service will be furnished upon applicant's request in stores, shops, restaurants, theatres or other semi-public locations where there is a collective use of the service by a number of guests, members, employees, or occupants or where there is the requirement for a combination of transient and subscriber usage.

(2) Extended semi-public coin-box service will be provided outside the base rate area and within the exchange area at the above rates and mileage rates.

(3) Extension stations at the above rates are installed only on the premises on which the primary station is located.

(4) Service under the above rates is available throughout a primary calling area which comprises the Beverly Hills, Culver City, and North Hollywood Exchanges and the Drexel, Hollywood, Olympia, Republic, and Whitney fundamental plan areas of the Los Angeles Exchange.

EXCHANGE SERVICE SCHEDULE NO. A-

EXTENDED APARTMENT HOUSE SEMI-PUBLIC SERVICE--INDIVIDUAL LINE

BEVERLY HILLS

SERVICE:

Applicable to extended apartment house semi-public coin-box service furnished within the base rate area of the Beverly Hills Exchange.

RATE:

	<u>Rate</u>
Each extended individual line coin-box wall set station:	
Minimum charge per day	\$.25
Each exchange message	.05
Each extension wall set station without coin-box, per month	.75
Each extension desk set station without coin-box, per month	1.00
Each extension hand set station without coin-box, per month	1.25
Each extension wall set station with coin-box, per month	1.00

CONDITIONS:

(1) Extended apartment house semi-public coin-box service will be furnished upon applicant's request in apartment houses, rooming houses, and hotels where there is a collective use of the service by a number of guests, employees, or occupants or where there is a requirement for a combination of transient and subscriber usage.

(2) Extended apartment house semi-public coin-box service will be provided outside the base rate area and within the exchange area at the above rates and mileage rates.

(3) Extension stations at the above rates are installed only on the premises on which the primary station is located.

(4) Service under the above rates is available throughout a primary calling area which comprises the Beverly Hills, Culver City, and North Hollywood Exchanges and the Drexel, Hollywood, Olympia, Republic, and Whitney fundamental plan areas of the Los Angeles Exchange.

EXHIBIT "B"

EXCHANGE AREA AND BASE RATE AREA

BOUNDARY LINES

CAO

DESCRIPTION OF BEVERLY HILLS

EXCHANGE AREA BOUNDARY

Beginning at a point on the present Los Angeles Exchange Area Boundary, said point being on the center line of Airdrome Street and being midway between the center lines of La Cienega Boulevard and Alvira Street; thence on a line in a northerly direction and approximately parallel to La Cienega Boulevard and generally along the east property line of property or portions of property fronting on the east side of La Cienega Boulevard to its intersection with the center lines of San Vicente Boulevard and Colgate Avenue; thence easterly along the center line of Colgate Avenue to the intersection with the center line of the first alley east of San Vicente Boulevard; thence northwesterly and northerly generally along the center lines of said alley and the first alley east of La Cienega Boulevard and a northerly prolongation thereof to the intersection with the center line of Sunset Boulevard, including in the proposed Beverly Hills exchange area only that property or portions of property having frontage on the east side of La Cienega Boulevard; thence westerly along center line of Sunset Boulevard to the point of intersection with an easterly extension of the center line of Miller Drive; thence westerly along the center line of Miller Drive to the point of intersection with the northeasterly extension of the southeasterly line of Lot 6, Tract 8037 (MB 116-34-35); thence southwesterly along said southeasterly line of Lot 6 to the most southerly corner of said lot; thence northwesterly along the southwesterly line of said Lot 6 to the most southwesterly point of Lot 2, Tract 2662 (MB 27-14); thence northerly along the westerly line of Lot 2, said Tract 2662, to point of intersection with the southerly line of Lot 8, Tract 8037; thence northwesterly along southerly line of Lot 8 to the most southeasterly corner of said Lot 8, Tract 8037; thence northerly along westerly line of Tract 8037 to point of intersection with the center line of Hollywood Boulevard; thence westerly along center line of Hollywood Boulevard to the point of intersection with the easterly line of Section 7, T. 1 S., R. 14 W; thence northerly along said easterly line of Section 7, T. 1 S., R. 14 W., to a point of intersection with the southerly lines of Tract 8401 (MB 117-94-98) and Tract 8183 (MB 112-71-72); thence northerly along westerly lines of said Tract 8183 and continuing along west line of Tract 8500 (MB 92-88-89); said line being the easterly line of Section 7, T. 1 S., R. 14 W., and said line also being the easterly line of said Tract 8401 (MB 117-94-98) to the northeast corner of Lot 77, said Tract 8401; thence westerly and northerly along the northerly line of Tract 8401 to the most northern point of Lot 64, including all parts of Tract 8401 in the proposed Beverly Hills Exchange Area; thence due west from said point on a line 465 feet south and parallel to the north line of Section 7, T. 1 S., R. 14 W., to the point of intersection of said line with the easterly line of Tract 10416 (MB 172-26-28); thence northerly along said easterly line of Tract 10416 to the northeast corner of said tract; thence due west along the northerly line of Tract 10416, being also the

north line of Section 7, T. 1 S., R. 14 W., to City boundary of Los Angeles, all parts of Tract 10416 (MB 172-26-28) being included in the proposed Beverly Hills Exchange Area; thence northerly along the Los Angeles City boundary established by Ordinance No. 45970, May 16, 1923, being the Los Angeles City boundary in December, 1933, to the point of intersection with the half-section line of Section 6, T. 1 S., R. 14 W; thence due west along said half-section line, being also the said Los Angeles City boundary in December, 1933, to its intersection with the westerly quarter-section line of Section 6, T. 1 S., R. 14 W; thence due north along said westerly quarter-section line of Section 6, T. 1 S., R. 14 W., and continuing north along the westerly quarter-section line of Section 31, T. 1 N., R. 14 W., to the point of intersection with a line established as the former boundary of the City of Los Angeles by Ordinance No. 32192 (N.S.) May 22, 1915, said point of intersection being located on the present Los Angeles Exchange Area boundary, and thence westerly, southerly and easterly along the present Los Angeles Exchange Area boundary as shown on C.R.C. Sheet 1170-T to the point of beginning.

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DESCRIPTION OF BEVERLY HILLS

BASE RATE AREA BOUNDARY

Beginning at a point on the present Los Angeles Exchange Area Boundary, said point being on the center line of Airdrome street, and being midway between the center lines of La Cienega Boulevard and Alvira Street; thence on a line in a northerly direction, said line being collinear to the line described as being the proposed Beverly Hills Exchange Area boundary to the point of intersection of said described line with the center line of Sunset Boulevard; thence westerly along center line of Sunset Boulevard to the point of intersection with an easterly extension of the center line of Miller Drive; thence westerly along the center line of Miller Drive to the point of intersection with the northeasterly extension of the southeasterly line of lot 6, tract 8037 (MB 116-34-35); thence southwesterly along said southeasterly line of lot 6 to the most southerly corner of said lot; thence northwesterly along the southwesterly line of lot 6 to its intersection with the northwesterly line of lot 3, Tract 8037; thence southwesterly along the northwesterly lines of lots 3 and 2, Tract 8037, to the westerly line of lot 2, Tract 8037, and continuing along the northerly and westerly line of lot 3, Tract 2662 (MB 27-14) to the point of intersection with a line approximately 185 feet north of and parallel to the center line of Sunset Boulevard; thence southwesterly along said line approximately 185 feet northwesterly, and parallel to the center line of Sunset Boulevard to the easterly boundary of Shoreham Heights Tract (MB 48-35); thence northerly along said easterly line of Shoreham Heights Tract to the intersection with the center line of Shoreham Drive; thence westerly along center line of Shoreham Drive to the point of intersection with a southerly extension of the easterly line of lot 3, Block A, of said Shoreham Heights Tract; thence northerly along said easterly line of lot 3, said line being also the westerly line of lot 2, to a point of intersection with the northerly line of lot 8, Block A, Shoreham Heights Tract; thence westerly along the northerly line of lot 8 to a point of intersection with the easterly line of lot 4, Block A, Shoreham Heights Tract; thence northerly along the easterly line of lots 4 and 7 to the northeasterly corner of said lot 7; thence westerly along the northerly line of said lot 7 and Horn Avenue and lot 17 of Horn Tract (MB 11-49) to the northwesterly corner of said lot 17; thence northerly along the westerly line of lot 18, Horn Tract being also the easterly line of Tract 4304 (MB 47-64) to the northeasterly corner of lot 5, Tract 4304 (MB 47-64); thence westerly along the northerly line of said Tract 4304 and also the northerly line of Tract 7025 (MB 76-77) to the northwesterly corner of lot 11, said Tract 7025; thence southerly along westerly line of Tract 7025 to the southwesterly corner of lot 1, said Tract 7025, said point being also the most northerly corner of lot 1, Block 5, Sherman Heights Tract (MB 12-26); thence southwesterly along the northerly lines of lot 1, Block 5, lot 27, lot 26, lot 25 and lot 8 of Block 4, said

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Sherman Heights Tract, to the northwesterly corner of said lot 8; thence northwesterly and westerly along the northeasterly and northerly lines of lot 7, Block 4, of said Sherman Heights Tract; thence westerly along westerly extension of said northerly line of lot 7, Block 4, to the intersection with the center line of an unsurveyed 70-foot strip of land lying between Sherman Heights Tract and Tract 5365 (MB 62-5-6); thence southerly along said center line to the point of intersection with the easterly extension of the southerly line of lot 23, Tract 5365; thence westerly along said southerly line of lot 23 and the westerly extension thereof, to the point of intersection with the center line of Shoreham Drive; thence westerly and southerly along the center line of Shoreham Drive and Doheney Drive to the point of intersection with the Los Angeles City limits established by Ordinance 45970 (N.S.) (May 16, 1923), said line being parallel with and 184.89 feet north of the center line of Sunset Boulevard; thence westerly along said Los Angeles City limits to the point of intersection with the center line of Cory Avenue; thence southerly along center line of Cory Avenue to the center line of Sunset Boulevard; thence westerly and southwesterly along the center line of Sunset Boulevard to a point where said center line and the center line of Alpine Drive intersect; thence northwesterly along the center line of Alpine Drive to the point of intersection with the center line of Lexington Road; thence northwesterly, and westerly along the center line of Lexington Road to the point of intersection with the center line of Hartford Way; thence northwesterly along the center line of Hartford Way to the intersection with the center line of Benedict Canyon Drive; thence northwesterly along center line of Benedict Canyon Drive to the first alley northerly of Roxbury Drive; thence southwesterly along the first alley northerly of Roxbury Drive to a point of intersection with the westerly boundary of the City of Beverly Hills as established on date of incorporation, January 26, 1914, and being the westerly boundary of Beverly Hills in December, 1933; thence southeasterly along said westerly boundary of the City of Beverly Hills, being also the boundary of the City of Los Angeles as established by Ordinance No. 34184 (N.S.) June 14, 1916, and said line being the boundary of the City of Los Angeles and the City of Beverly Hills, respectively, in December, 1933, to a point on said city limits located 167.5 feet southerly of center line of Olympic Boulevard; thence easterly along a line drawn parallel and 167.5 feet south of center line of Olympic Boulevard which line falls on the westerly projection of the first alley parallel to and south of Olympic Boulevard, to a point on said line 165 feet west of the center line of Roxbury Drive; thence southerly along a line drawn parallel with and 165 feet westerly of the center line of Roxbury Drive to a point of intersection of said line with a western extension of the southerly boundary of the City of Beverly Hills in December, 1933; thence easterly along said extension and said City limits to the point of intersection of said line with the center line of the alley between Roxbury Drive and Bedford Drive; thence southerly along the southerly extension of the center line of said alley to a point, said point being on the westerly extension of a line parallel with and 175 feet south of the center line of Newman Street; thence

easterly along said parallel line being 175 feet south of Newman Street to a point of intersection of a line drawn parallel with and 175 feet southwest of the center line of Castello Avenue; thence southeasterly along said line, being parallel with and 175 feet southwest of Castello Avenue to the point of intersection with the center line of Pico Boulevard; thence easterly along the center line of Pico Boulevard to a point 200 feet west of the center line of Woodbine Street; thence southerly on a line drawn 200 feet west of and parallel to the center line of Woodbine Street to a point intersection of said line with a line set forth in C.R.C. Sheet 1170-T as 16th Street Extension, said point being located on the present Los Angeles Exchange Area Boundary and being also located on the proposed Beverly Hills Exchange Area Boundary; and thence easterly along the center line of Airdrome Street, said center line being the present Los Angeles Exchange Area boundary, being also the proposed Beverly Hills Exchange Area Boundary to the point of beginning.

DESCRIPTION OF MODIFICATION OF COMMON EXCHANGE BOUNDARY
OF THE LOS ANGELES AND PASADENA EXCHANGES

Beginning at a point on the present Los Angeles exchange area boundary, said point being located on the northerly boundary of the South Pasadena city limits and 200 feet west of the center line of Arroyo Drive; thence southerly and westerly along a line parallel with and 200 feet west of the center line of Arroyo Drive to a point of intersection with a northwesterly extension of the center line of that part of Pasadena Avenue being a northwesterly extension of Lincoln Park Place; thence southeasterly along said extension of said center line of Pasadena Avenue and center line of Lincoln Park Place to the intersection of the center line of Monterey Road; thence easterly along center line of Monterey Road to a point of intersection with the center line of Gates Place; thence southerly along center line of Gates Place to a point 200 feet south of the center line of Monterey Road; thence easterly along a line parallel and 200 feet south of the center line of Monterey Road to Glendon Way; thence north along center line of Glendon Way to Pacific Alley; thence continuing along center line of said Pacific Alley and the northerly line of lots 8 & 5 of Block A of the Amended Map of the Hunt Tract (MR 21-22) to the point of intersection of the center line of Diamond Avenue; thence southerly along the center line of Diamond Avenue to the northerly property line of the South Pasadena High School Athletic Field; thence west along said northerly line, being also the southerly line of Tract 6760 (MB 96-47-48), to point of intersection with the center line of Meridian Avenue; thence south along center line of Meridian Avenue and easterly along center line of Rollin Street and south along center line of Diamond Avenue and northeasterly and easterly along the center line of Oak Street and southerly along the center line of Fremont Avenue to a point of intersection with the southerly city limits of the City of South Pasadena, said city limits being the present Pasadena exchange area boundary and also being the present Alhambra exchange area boundary; and thence westerly along said southerly South Pasadena city boundary to the point of intersection with the center line of Huntington Drive, said point being located on the present Los Angeles exchange area boundary.

DESCRIPTION OF MODIFICATION OF THE

LOS ANGELES BASE RATE AREA BOUNDARY - NORTHEASTERN SECTION

Beginning at a point on the present Los Angeles exchange area boundary, said point being located on the northerly boundary of the South Pasadena city limits and 200 feet west of the center line of Arroyo Drive; thence southerly and westerly along a line parallel with and 200 feet west of the center line of Arroyo Drive to a point of intersection with a northwesterly extension of the center line of that part of Pasadena Avenue being a northwesterly extension of Lincoln Park Place; thence southeasterly along said extension of said center line of Pasadena Avenue and center line of Lincoln Park Place to the intersection of a line parallel with and 200 feet southerly of the center line of Monterey Road, this line being collinear with the proposed common boundary of the Los Angeles and Pasadena Exchanges; thence westerly along said parallel line, being 200 feet south of Monterey Road, to a point of intersection with a line parallel with and 200 feet east of Oak Hill Avenue; thence southwest along said parallel line to a point of intersection with the west boundary of the City of South Pasadena; thence southerly and easterly along the city limits of South Pasadena, being the present Los Angeles base rate area boundary, to a point of intersection with a southerly extension of a line midway between Alpha Avenue and Maycrest Avenue; thence northerly along said midway line to a point of intersection with a line drawn parallel with and 150 feet southwesterly of Summit Drive; thence northwesterly and easterly along said parallel line, being 150 feet from the center line of Summit Drive, to point of intersection with a line drawn parallel with and 150 feet northwesterly of that part of Gillette Crescent, being northerly of Summit Drive; thence northeasterly along said parallel line, being 150 feet from the center line of Gillette Crescent to the center line of Meridian Avenue; thence northeasterly and easterly along the center line of Oak Street and southerly along the center line of Fremont Avenue to a point of intersection with the southerly city limits of the City of South Pasadena, said city limits being the present Pasadena exchange area boundary and also being the present Alhambra exchange area boundary; and thence westerly along said southerly South Pasadena city boundary to the point of intersection with the center line of Huntington Drive, said point being located on the present Los Angeles base rate area boundary.

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DESCRIPTION OF MODIFICATION OF
COMMON EXCHANGE AREA BOUNDARY OF CULVER CITY AND
LOS ANGELES EXCHANGES AND BASE RATE AREA BOUNDARIES
OF LOS ANGELES AND CULVER CITY EXCHANGES

Beginning at a point on the present Culver City exchange area boundary being the center line of Airdrome Street at a point of intersection of the northerly extension of the center line of the first alley easterly of La Cienega Boulevard; thence southerly along said center line of alley to the point of intersection with the center line of 18th Street; thence southerly along the center line of Los Angeles County Storm Drain Easement to the point of intersection with the center line of Cadillac Avenue, which line is approximately 200 feet easterly of the center line of La Cienega Boulevard; thence southerly along the first alley east of La Cienega Boulevard to a point in the right of way of the Pacific Electric Railroad, said point being also in the northerly extension of the center line of the Los Angeles County Storm Drain Easement northerly of Adams Boulevard; thence southerly and easterly along said center line of the Los Angeles County Storm Drain Easement north of Adams Boulevard to the point of intersection with the center line of that part of the first alley north of Adams Boulevard being easterly of Cologne Street; thence easterly along said westerly extension and the center line of said alley to a point on the present Culver City-Los Angeles exchange area boundary, said boundary being 200 feet east of the center line of Cologne Street.