

Decision No. 28819 .

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
THE PACIFIC TELEPHONE AND TELEGRAPH
COMPANY, a corporation, for an Order
to adjust rates at its Sharp Park
Exchange in connection with increasing
the hours of service.

ORIGINAL

Application No. 20422.

James G. Marshall for The Pacific
Telephone and Telegraph Company.

BY THE COMMISSION:

O P I N I O N

The Pacific Telephone and Telegraph Company, a corporation, operating a telephone and telegraph system in California and elsewhere, herein asks for an order authorizing certain increases in telephone rates coincident with the installation of dial equipment and twenty-four hour continuous service.

A public hearing in the proceeding was held before Examiner Fry at Sharp Park on April 23, 1936, when the matter was submitted for decision.

Mr. G. P. Wallick, Division Commercial Manager for applicant company, gave testimony concerning the proposed changes in equipment, operations, hours of service and rate schedules. Sharp Park, located in the western part of San Mateo County, has a population of about 350 people engaged

principally in truck farming and in catering to week-end tourists. The Sharp Park Exchange is agency operated with hours of service on week days, Sundays and holidays from 8:00 a.m. to 8:00 p.m. The people of the community have made requests for continuous hours of service and have generally agreed to an increase in some rates for service. All subscribers whose charges for telephone service would be increased under the proposal signed cards agreeing to such increase, except two. The Works Progress Administration, on account of certain requirements of the Government, could not sign such a card. One other subscriber did not care to sign for the change, but was not present at the hearing and entered no objection. Five new applications were received for telephone service if and when the twenty-four hour dial service is installed.

Under applicant's proposal, continuous service by means of a common battery dial, or automatic system would be provided. Information and long distance calls would be handled by operators in the San Mateo Exchange, and maintenance would be performed from San Mateo as at present. Coin-box service would be furnished on the post-payment plan. Provision would be made so that customers could pay bills or sign applications for new service in Sharp Park.

The average plant, equipment and working assets of the exchange for 1935 was \$13,140. Revenues for the year amounted to \$3,993, expenses to \$2,444 and net revenue to \$1,549. It is estimated that under the proposal, the first year of operation of the dial system would result in revenues of \$4,280, expenses of \$3,220, net revenues of \$1,060, or

a ratio of net revenues to \$18,700, average plant, equipment and working assets, of 5.6 per cent.

The present and proposed rates were shown on Exhibit "A" attached to the application. Both the present and proposed schedules set forth the business extension wall station rate as the same as the desk set rate. We believe this rate in order to be consistent should be the desk set rate less twenty-five cents per month. Counsel for applicant has agreed to this modification of the proposal. No changes in inter-exchange telephone or telegraph rates are proposed.

O R D E R

The Pacific Telephone and Telegraph Company, having requested the Railroad Commission for authority to increase certain rates for exchange telephone service in its Sharp Park Exchange, a public hearing having been held, and the matter being ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby finds as a fact that The Pacific Telephone and Telegraph Company should increase its hours of service and certain rates for exchange telephone service in its Sharp Park Exchange, and

Basing its Order upon the foregoing finding of fact and such other statements of fact and conclusions as appear in the Opinion preceding this Order,

IT IS HEREBY ORDERED that The Pacific Telephone and Telegraph Company shall on or before January 1, 1937, install in its Sharp Park Exchange a dial system with twenty-four (24) hour continuous service.

IT IS HEREBY FURTHER ORDERED that The Pacific Telephone and Telegraph Company may make effective for service in its Sharp Park Exchange, on and after the date of the establishment of twenty-four (24) hour continuous dial service, the rates proposed in the application, except as modified by agreement as set forth in the Opinion and provided;

(1) Said schedules of rates herein ordered are submitted for filing with the Railroad Commission between the thirtieth and tenth days immediately preceding the date of the establishment of the proposed service.

(2) No other rates or charges are affected by this Order.

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

Dated at San Francisco, California, this 18th day of May, 1936.

M B Harris
Leon Whalley
W A Carr
Arthur M. ...
Paul R. ...
Commissioners.