

Decision No. 23387.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the Application of THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY and SOUTHERN CALIFORNIA TELEPHONE COMPANY for an order authorizing a modification of the present rates and charges applicable to message telegram service so as to extend the rate plan applicable over competitive routes to non-competitive routes within the State of California.

ORIGINAL

Application No. 20900.

James G. Marshall, for applicants.

BY THE COMMISSION:

O P I N I O N

The Pacific Telephone and Telegraph Company and Southern California Telephone Company, Bell System companies operating telephone and telegraph systems in the State of California, herein request authority to modify their message telegram service schedules effective for service in California.

A public hearing was held in this proceeding before Examiner Fry in San Francisco on December 14, 1936, at which time and place testimony was received and the matter submitted for decision.

The proposed telegraph rate plan would result in the following modifications:

1. Rates over non-competitive routes would be based on fifty (50) mile squares.
2. The rate schedules would be similar to those of major telegraph companies operating in California.
3. Certain exceptions now existing in the fifty (50) mile square plan as used by other telegraph companies would be adopted.

4. Five (5) deviations from the fifty (50) mile square plan as now used by other telegraph companies would not be adopted. These may result in some minor increases in charges, but none have been found in the test period used in the study which has been made.
5. The rates over a relatively small number of routes may result in increased charges, but these would be minor in amount.
6. The rates for messages to Arrowhead, now incorrectly quoted by applicants on a "direct" basis, would be changed to "other line" rates as charged by the connecting company in the reverse direction.
7. Applicants would establish joint "through rates" with The Western Union Telegraph Company.

At the present time the telegraph rate plan of applicant companies used in non-competitive territory results in materially higher rates than those effective in competitive territory. This lack of uniformity would be eliminated in all instances other than the exceptions and deviations referred to above, and possible discriminations would be removed.

It is estimated that the decrease in revenue of the applicant companies would be Ten Thousand Three Hundred Dollars (\$10,300.00) annually, with practically no offsetting increase in revenue.

Although other companies engaged in the telegraph business in California were notified of the hearing, the record shows no appearances and that no objection was made to the granting of the application.

O R D E R

The Pacific Telephone and Telegraph Company and Southern California Telephone Company, having made application to the Railroad Commission for an order authorizing a modification of their message telegram rates, 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 modification of applicants' rates and charges applicable to message telegram service so as to extend their rate plan applicable over competitive routes to non-competitive routes within the State of California is just and reasonable and in the interest of the public.

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

IT IS HEREBY ORDERED that The Pacific Telephone and Telegraph Company and Southern California Telephone Company be and they hereby are authorized to file in accordance with General Order No. 68 the necessary and approved schedules, effective for service on and after January 1, 1937.

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 21st day of December, 1936.

W. B. Lewis
Leon Whittell
W. L. ...
Commissioners.