

Decision No. 20877

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY for permission to place in effect correct rates and practices for toll telephone and telegraph service at various points in the vicinity of Yorkville and Ornbau, Mendocino County, California, and to extend the present serving area of its Cloverdale Exchange to include territory in the vicinity of Mountain House, Mendocino County, California.

ORIGINAL

Application No. 21178

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

WAKEFIELD, COMMISSIONER:

O P I N I O N

The Pacific Telephone and Telegraph Company, a corporation, operating a general telephone and telegraph system in California and other states, herein petitions the Railroad Commission for authority to modify its Cloverdale exchange area; to withdraw certain inter-exchange rates; to remove irregular and deviation services in the area under consideration in this application; and to place in effect correct interexchange telephone and telegraph rates and practices for the points indicated in Exhibit "B" attached to the application.

A hearing was held in Cloverdale on June 2, 1937 at which time and place all interested persons were given the opportunity to appear and to be heard, and the matter was submitted for decision.

Evidence in explanation and support of the application was given by Mr. G. P. Wallick, Division Commercial Manager of the Coast Division of The Pacific Telephone and Telegraph Company.

The territory considered in this proceeding extends for more than twenty miles air-line in a northwesterly direction from Cloverdale, Sonoma County. Except for the location of the Alder Glen toll station, this area is not included in any exchange area. All

existing services are furnished by means of three lines serving twenty-seven toll stations. Although the Pacific Company has on file with the Railroad Commission a toll telephone rate plan with uniform practices and with charges for service based upon air-line distances between toll points, many irregularities and deviations therefrom now exist in connection with the service in this area. The proposed modifications are intended to remove the irregularities and more nearly satisfy the particular telephone requirements of the community.

Mr. Wallick explained that it was desirable that the Cloverdale exchange area be extended northerly and westerly as shown on a map filed at the hearing as Exhibit No. 2. In the area to be annexed to the Cloverdale exchange area there would be eleven services which with a service at Alder Glen Springs (Alder Glen) would be served on a farmer line basis out of Cloverdale. These twelve exchange subscribers to farmer line service would pay yearly rates of three dollars for residence service and six dollars for business service with a discount of ten per cent if the bill is paid within thirty days after presentation. No charge would be applicable for messages among these farmer line stations or to other exchange service stations of the Cloverdale Exchange. Subscribers to farmer line service own and maintain the telephone instruments and the lines to the city limits or base rate area boundary. Applicant proposes to transfer the ownership of that part of one of the three lines referred to above to the mutual association of the twelve farmer line subscribers to be known as the Hermitage Rural Telephone Company. The sale would be made at the nominal price of one dollar to these subscribers who have signed applications for the service, copies of which were filed at the hearing as Exhibit No. 4. A copy of the proposed agreement was filed as Exhibit No. 8.

A section of one of the present lines extending in a westerly direction from Mailliard's Ranch would be transferred to J. W. Mailliard, Jr. for one dollar to be used for toll service-station service for

A. E. Ogle, B. R. Ogle Ranch, Ornbaun Springs, and Earl B. Snyder. Copies of the four applications for this service were filed at the hearing as Exhibit No. 3. A copy of the proposed agreement was filed as Exhibit No. 7. The filed rate for toll service-station service is six dollars per year per subscriber. When a toll service-station on one line is connected to a toll service-station on another such line terminating at the same toll station, a charge of ten cents applies. A message between a toll service station and the toll station or toll switchboard to which it is connected also takes the rate of ten cents.

The remaining services, eleven in number, would be furnished on the regular toll station basis. Copies of two toll station agency agreements, signed by J. W. Mailliard, Jr. and Casper A. Ornbaun, General Manager for Ornbaun & Nobles L. & L. Company were filed at the hearing. A monthly guarantee of five dollars per month applies with each of these services. Charges based upon applicant's inter-exchange rate schedules on file with the Commission are applicable to each toll message from any toll station to any other toll station connected to the same toll line or to any other toll point.

Although interested citizens of the community requested explanations of the changes in service conditions proposed by applicant, no testimony in protest to such changes is of record. Complaints were made of poor service due to poor condition of some lines. Representatives of applicant stated that all lines under consideration in the proceeding will be placed in good working order. Mr. Wallick stated that applicant contemplates spending about \$10,000.00 in connection with this project which could be completed within ninety days after the receipt of an Order from the Railroad Commission authorizing the same. It appears that the application should be granted.

I submit the following form of Order:

O R D E R

The Pacific Telephone and Telegraph Company having made application for authority to rearrange telephone service conditions and to remove irregularities in the vicinity of Cloverdale, Yorkville and Ornbaun; a hearing having been held in the proceeding; and the matter having been submitted for decision:

The Railroad Commission of the State of California hereby finds as a fact that the Cloverdale exchange area should be enlarged as shown on the map filed with the application as Exhibit "A," that toll service-station service should be established in the territory under consideration, and that all service furnished in the territory should be on a regular non-discriminatory basis; and basing its Order on the above findings of fact,

IT IS HEREBY ORDERED that The Pacific Telephone and Telegraph Company may:

- (1) Modify its Cloverdale exchange area boundary as shown on Exhibit "A" attached to the application.
- (2) Discontinue Alder Glen and Bills Hunting Camp toll stations.
- (3) Sell and transfer for one dollar (\$1.00) to Hermitage Rural Telephone Company the telephone property described in Exhibit No. 8 filed at the hearing herein.
- (4) Sell and transfer to J. W. Mailliard, Jr. for one dollar (\$1.00) the telephone property described in Exhibit No. 7 filed at the hearing herein.

IT IS HEREBY FURTHER ORDERED that The Pacific Telephone and Telegraph Company shall:

- (1) File not later than fifteen (15) days before their effective date, maps and rate sheets necessary to make effective on or before ninety (90) days from and after the date of this Order the authority granted in (1) and (2) above.

- (2) Discontinue all irregular practices and remove all deviations now in effect in the territory outlined on the map filed as Exhibit No. 2 at the hearing.
- (3) File with the Railroad Commission within sixty (60) days after it assigns, transfers, or conveys those of its operative properties set forth in its Exhibits Nos. 7 and 8 filed at the hearing, copies of bills of sale or other instruments under which it disposes of the title to said properties.

IT IS HEREBY FURTHER ORDERED that the price at which the aforesaid properties will be transferred shall not be deemed to determine the value of said property for any purpose other than the transfer herein authorized, or to determine the value of any other properties of applicant.

For all other purposes 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 21st day of June, 1937.

William H. Hays
Leon J. Wiley
Frank R. Wiley
Ray B. Wiley
Ray & Wiley
Commissioners.