

Decision No. 38326

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

California Farm Bureau Federation,  
Complainant,

vs.

California Water and Telephone Com-  
pany, and Southern California  
Telephone Company,  
Defendants.

Case No. 4242

ORIGINAL

J. J. Deuel, for Complainant.

A. N. Johns, for California Water and  
Telephone Company.J. G. Marshall, for Southern California  
Telephone Company.

BY THE COMMISSION:

O P I N I O N

In this proceeding California Farm Bureau Federation requests the Railroad Commission to order the enlargement of the Reseda exchange area of Southern California Telephone Company to include therein a portion of its Canoga Park exchange area and a portion of the San Fernando exchange area of California Water and Telephone Company. A hearing was held in this matter on October 7, 1937, before Examiner McCaffrey.

Ten houses have been built in the area in controversy and but one telephone service has been established. This is a San Fernando Exchange telephone. Both defendants object to any change in any of the exchange boundaries and in lieu thereof offered extended service and foreign exchange service in the Reseda, Canoga Park and San Fernando Exchanges.

Various witnesses testified to a preference for service from the Southern California Telephone Company system assertedly on account of the poor and inadequate exchange and long distance service which they had received when using San Fernando Exchange service. California Water and Telephone Company proposes to establish an automatic central office with separate base rate area at Granada, which is located near the territory in controversy. This would result in a reduction in mileage charges for individual, two-party and four-party line services in that vicinity including the greater part of the controversial area. It would be expected to improve transmission for subscribers in the controversial area, but the toll service conditions in the San Fernando Exchange, about which much complaint was made, would not thereby be changed.

The extended service proposed by California Water and Telephone Company would allow a subscriber under a new rate schedule to have a calling area which would include the controversial area and the whole of the San Fernando exchange area, the North Hollywood, Van Nuys, Reseda, and Canoga Park exchange areas. The calling area of Canoga Park extended service subscribers would include the controversial area and all of the Canoga Park, Reseda, Van Nuys and San Fernando exchange areas. The foreign exchange service schedules with their proposed conditions, when filed and made effective coincidentally with the extended service schedules, should in great measure satisfy the requirements of the complaining witnesses. The charges for the Reseda foreign exchange service in the controversial area would be higher than the Reseda Exchange service charges would be if the area were included in the Reseda local exchange area. The testimony indicated a

desire for Reseda service even if the charges therefor should be somewhat more than those for San Fernando service at the same location. The record shows that, with two exceptions, the complaining witnesses were not asking for Reseda Exchange service on account of a desire to call Reseda subscribers without the payment of toll charges, but on account of their belief gained through experience that the service of the Southern California Telephone Company was more satisfactory than the San Fernando Exchange service.

A careful consideration of the record in this case leads to the conclusion that the citizens who reside in or have their business in the controversial area would have adequate service arrangements if the extended service and foreign exchange service schedules were made effective, an automatic central office were established at Granada, and the California Water and Telephone Company should sufficiently improve its San Fernando exchange and toll service, properly maintain the facilities used in its service and thereafter furnish good and adequate service.

The Commission will direct its Staff to make a thorough inspection of the exchange and toll service furnished San Fernando subscribers. Measures will then be taken to effect the improvements in the service which are found necessary.

O R D E R

California Farm Bureau Federation having requested the extension of Reseda Exchange telephone service, a hearing having been held,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

hereby finds as a fact that Reseda Exchange telephone service and Canoga Park Exchange telephone service should be extended into the San Fernando exchange area on a foreign exchange basis.

IT IS HEREBY ORDERED that California Water and Telephone Company shall:

- (1) File with the Railroad Commission on or before December 1, 1937, effective fifteen (15) days thereafter a schedule of rates for Reseda foreign exchange service furnished in the San Fernando exchange area as set forth in "Exhibit 5" filed at the hearing.
- (2) File with the Railroad Commission on or before December 1, 1937, effective as of the effective date of (1) above a schedule of rates for Canoga Park foreign exchange service furnished in the San Fernando exchange area as set forth in "Exhibit 6" filed at the hearing.
- (3) File with the Railroad Commission on or before December 1, 1937, effective as of the effective date of (1) and (2) above a schedule of rates for Extended Service as set forth in "Exhibit 3" filed at the hearing.
- (4) Establish on or before May 1, 1938, an automatic central office at Granada with separate base rate area and rates for service therein as may be approved by the Railroad Commission.
- (5) Furnish good and adequate telephone service throughout the San Fernando exchange area on and after the date of this Order.

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

- (a) File with the Railroad Commission on or before December 1, 1937, effective as of the date of (1), (2) and (3) above a schedule of rates for San Fernando foreign exchange service furnished in the Reseda exchange area.
- (b) Modify its schedules for extended service in its Canoga Park, Reseda and Van Nuys Exchanges to include the San Fernando exchange area in the calling areas of extended service subscribers in those areas effective as of the effective dates of (1), (2) and (3) above.

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 5<sup>th</sup> day of ~~Oct~~ Nov., 1937.

Walter Mason  
Leon Coxhead  
Frank R. ...  
Harold ...  
Richard ...  
 Commissioners