# Decision No. <u>30550</u>

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SAN JOAQUIN ASSOCIATED TELEPHONE COMPANY, a corporation, for authority to file and make effective rates for certain services, and to file and make effective uniform rules and regulations.

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Application No. 21443

Ernest Irwin, for Applicant.

RILEY, COMMISSIONER.

## $\underline{O P I N I O N}$

San Joaquin Associated Telephone Company in this application requests authority to file in its own name rate schedules and rules and regulations for its Fowler, Lindsay, and Reedley exchanges; and to withdraw or make effective certain schedules. At the hearing in this matter at Reedley on December 9, 1937, the application was amended to include a request for authority to purchase certain loud-ringing gongs now attached to its lines and thereafter to apply regular rates and charges for such service.

Applicant proposes to file and make effective rules and regulations for the three above-named exchanges which will be uniform, and approach uniformity in the types of services offered in the three exchanges, and to adopt similar conditions under which the services will be furnished. The more important modifications will be discussed for the exchanges separately.

## Fowler Exchange

The boundary of the Fowler base rate area at present is a circle with a one mile radius. In Exhibit No. 1, filed at the hearing, is shown the proposed base rate area boundary which parallels streets so as to be easily located. Nine suburban sub-

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scribers located within the present base rate area will be outside the proposed base rate area and their services and the charges therefor will not be affected. One suburban service subscriber whose location is within the proposed base rate area may receive a higher grade of service at less charge. This subscriber will be expected to convert to a higher grade of service as of the effective date of the Order.

The adoption of the Fowler Exchange Service Schedule No. A-1 will result in reducing the wall set extension station rate twenty-five cents per month. The rate for an extension station without bell would be withdrawn. One subscriber having that service should accept the extension service under the proposed schedule.

The present suburban service schedule limits to five miles or less the distance which the Company will extend its circuits and requires not less than five services for each such extension. This condition will be eliminated in the new schedule. In line with the general and approved practice, extension stations with bells will not be furnished on ten-party suburban lines. This will require the removal of six extension bells now in service.

In the present schedules there is set forth no rates or charge for joint user or additional listing service. These are services for which charges have regularly been approved. The rates submitted in Exhibit No. 2 for this service appear to be reasonable.

At present the installation charge for an ordinary extension bell is \$1.25. The Company proposes to increase this charge to \$1.50. This is the usual charge and its adoption here will not affect any present subscriber's charges for telephone service. It is proposed to file a non-recurring installation charge of \$1.50 and a monthly service charge of fifty cents per month for loud ringing extension bells. This charge has been

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applied although the rates were not filed with the Commission. It appears that these charges are reasonable.

### Reedley

The Company, in its Schedule No. A-1, would reduce its wall set extension rate twenty-five cents per month. It is also proposed to eliminate the rates for six-party line service in the Reedley exchange. There are at present twenty subscribers to this service. Applicant will continue to offer individual line, twoparty line and four-party line services which should allow a sufficient selection. In eliminating this grade of service it is believed that the present six-party line service subscribers should have a reasonable time in which to change to some other grade of service, no new subscribers to six-party line service being accepted meanwhile.

applicant's present suburban service schedule contains the condition that the subscriber shall own and maintain at his expense the necessary facilities from the Company's line to the subscriber's instrument and the telephone and battery. The Company desires to change this condition so that all facilities and equipment used in a suburban subscriber's service shall be owned and maintained by the utility. It has generally been found by experience that efficient and adequate service is received by the public only when the utility owns and maintains all of the property used in the service. This was clearly indicated by testimony given by subscribers at the hearing relative to their poor suburban service. Those subscribers who have investments in facilities and equipment used in their service should be paid reasonable amounts for their equities.

Applicant desires to modify its farmer line service schedule in order to bring it more in line with present day prac-

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tices in the construction of such schedules. Applicant also proposes to withdraw the farmer line service schedule for the Sequoia exchange as there are no present services furnished under this schedule and no expected demand for such service.

As there are no manual intercommunicating systems in the Reedley area it is proposed to withdraw the present Exchange Service Schedule No. A-8.

In its supplemental equipment schedule the Company proposes to change its installation charge for extension bells from actual cost to \$1.50. This is the charge applied in other exchanges. The rates and charges for excess-length cords on desk and hand set telephones are proposed to be modified to limit the length to fifteen feet. In times past, subscribers have purchased loud-ringing gongs and connected them to applicant's lines without the payment of any service charges. Applicant requests authority to purchase these privately-owned gongs and thereafter to charge the filed rates for these services. This action should be taken in order to remove deviations from the schedules and to eliminate discrimination.

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> The Company desires to change the cruditions under which it operates toll service on its Reedley-General Grant toll line. At the present time it is required to establish toll stations on demand even though the service is to be retwined only for a few days. It is proposed that the toll agent shall guarantee that the total Reedley-General Grant Park line charges for toll messages originiating at a toll station on said line shall be not less than \$2.50 in each monthly billing period with a minimum of three consecutive monthly billing periods from the opening of the toll station. This condition is desired for those stations which have toll agents. In connection with those toll stations

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public's requirements for toll service, the condition would not apply. A condition designed to accomplish this purpose of protecting the utility's revenues for short term toll stations is appropriate and should be made effective on a nondiscriminatory basis.

#### Lindsay

New and revised schedules are proposed for the Lindsay exchange in order that the charges for service in this exchange will be uniform with those for similar service in the Fowler and Reedley exchanges. These charges should not result in any increased rate or charge to any present subscriber.

#### All Exchanges

Applicant proposes a modification of its Rule and Regulation No. 29 to be applicable in the three exchanges herein referred to which would reduce the move and change charges from \$3.00 to \$1.50. In Rule and Regulation No. 30 it is proposed to change the service connection charge applicable to initially established private branch exchange stations from \$3.50 to \$1.50. The changes in the move and change charges and service connection charges should be made; but we believe they should be filed as exchange service schedules for the Fowler, Reedley and Lindsay exchanges.

Other modifications of the schedules, rules and regulations proposed appear to be appropriate and may be filed as approved.

I submit the following Order:

# ORDER

San Joaquin Associated Telephone Company having filed its application as amended for authority to file certain telephone

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rate schedules, rules and regulations, a hearing having been held,

The Railroad Commission of the State of California Hereby Finds as a Fact that the rate schedules, rules and regulations of the Fowler, Reedley and Lindsay exchanges should be refiled in accordance with the proposal submitted in the application but modified as discussed in the Opinion which precedes this Order.

IT IS HEREPY ORDERED that San Joaquin Associated Telephone Company shall:

- Submit to the Railroad Commission for filing on or before February 1, 1938, effective March 1, 1938, a map showing the Fowler base rate area modified as shown in Exhibit No. 1, filed at the hearing.
- (2) Submit to the Railroad Commission for filing on or before February 1, 1938, effective March 1, 1938, exchange service schedules for the Fowler exchange as set forth in Exhibit No. 2 filed at the hearing and in accordance with the Opinion preceding this Order.
- (3) Submit to the Railroad Commission for filing on or before February 1, 1938, exchange service schedules for the Reedley exchange as set forth in Exhibit No. 2 filed at the hearing and discussed in the Opinion which precedes this Order, effective March 1, 1938, subject to the following conditions:
  - (a) Present subscribers to six-party line service shall be allowed to continue their present services at present locations until June 1, 1938.
  - (b) All suburban service shall be furnished over lines and facilities owned and maintained by the Telephone Company, and the schedules of rates, rules and regulations shall so provide.
  - (c) San Joaquin Associated Telephone Company shall on or before April 1, 1938, purchase at an equitable price the line facilities and station equipment now owned and used by present suburban service subscribers.
  - (d) San Joaquin Associated Telephone Company shall on or before April 1, 1938, purchase at an equitable price the privately-owned loud ringing gongs now connected to its lines and thereafter apply the rates and charges for this service as set forth in the schedules.

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- (4) Submit to the Railroad Commission for filing on or before February 1, 1938, effective March 1, 1938, toll service schedules as set forth in Exhibit No.2 filed at the hearing modified as discussed in the Opinion preceding this Order and as may be approved by the Commission.
- (5) Submit to the Railroad Commission for filing on or before February 1, 1938, effective March 1, 1938, rate schedules for the Lindsay exchange as set forth in Exhibit No. 2 filed at the hearing.
- (6) Submit to the Railroad Commission for filing on or before February 1, 1938, effective March 1, 1938, schedules of rates and charges for moves and changes and for service connections for the Fowler, Reedley and Lindsay exchanges as discussed in the Opinion preceding this Order and as approved by the Commission, and such other schedules and rules and regulations as may be approved by the Commission.

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.

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  $24\frac{24}{2}$  day

Commissioners