

Decision No. 322-222

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
KERN MUTUAL TELEPHONE COMPANY, a
corporation, for permission to pub-
lish, file and place in effect rates
for exchange, interexchange and tele-
graph service at Buttonwillow, Kern
County, California.

Application No. 23216.

Ernest Irwin, for Applicant
Frank Alves, for Buttonwillow
Chamber of Commerce
Mrs. W. L. Smith, for Buttonwillow Grange.

BY THE COMMISSION:

O P I N I O N

Kern Mutual Telephone Company, a corporation, operating a telephone system in Kern County, California, herein asks for an order authorizing applicant to establish a telephone exchange at Buttonwillow and to make effective certain rates and charges for telephone and telegraph service. A public hearing in the matter was held at Buttonwillow on February 14, 1940 before Examiner Fry.

The Buttonwillow community is about twenty-seven miles west of Bakersfield. The principal activity is agriculture. At the present time the community receives Kern Mutual Telephone Company service from several toll stations and no exchange service is available.

The movement for the establishment of exchange service was initiated some months ago by the Buttonwillow Chamber of Commerce and Buttonwillow Grange No. 568. In response to the evident requirement of the public, applicant made a study of the situation, and, following discussions of the matter with representatives of the Railroad Commission, filed the present application.

Applicant proposes to install a modern automatic or dial system with twenty-four-hour continuous service. Information, complaint, and toll calls would be handled at the Taft exchange. Maintenance work would be performed by repairmen from the Taft office. The four-party service would be full selective.

Mr. Ernest Irwin, as a witness for applicant, submitted maps of the proposed exchange and base rate areas. These appear to be ample for the proposed exchange. A house-to-house canvass of the area by applicant's representatives resulted in about forty signed applications for Buttonwillow exchange service.

In Exhibit No. 3 filed at the hearing, applicant set forth the rates and charges it proposes to make effective for the principal classifications of service. Applicant would offer business individual line service with desk telephone for \$3.25 per month, business four-party line service for \$2.50 per month, residence individual line service with desk set for \$2.75 per month and residence four-party service at \$2.00 per month. These rates appear to be reasonable for the character of the service proposed and the conditions under which the exchange would be established. Supplemental schedules, rules and regulations applicable in other exchanges of Kern Mutual Telephone Company would be made effective in Buttonwillow exchange. No change in the interexchange telephone or telegraph rates is contemplated.

In Exhibit No. 4 filed at the hearing is set forth an estimate of the results of operation of the proposed Buttonwillow exchange for the first year of its operation. This indicates a small return on the investment.

Applicant proposes to waive line extension charges for distances under one mile during the construction period ending when the system is opened for exchange service.

We believe that the Buttonwillow dial exchange should be established with the rates and charges proposed, as there exists a public requirement for exchange service in the community.

O R D E R

Kern Mutual Telephone Company having requested authority to place in effect certain rates and charges for telephone service in its proposed Buttonwillow exchange, a public hearing having been held,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby finds as a fact that the establishment of an automatic or dial telephone exchange at Buttonwillow with the rates proposed is justified, and

IT IS HEREBY ORDERED that Kern Mutual Telephone Company shall install an automatic system in the Buttonwillow community on or before October 1, 1940.

IT IS HEREBY FURTHER ORDERED that Kern Mutual Telephone Company may make effective in the Buttonwillow exchange on and after the date of the establishment of the service therein, the rates and charges proposed and set forth in Exhibit No. 3 and the maps set forth in Exhibits Nos. 1 and 2 filed at the hearing

and as discussed in the preceding Opinion provided said schedules and maps are submitted for filing with the Railroad Commission in accordance with General Order No. 68 on or before the tenth day immediately preceding the date of the establishment of said exchange.

Except as otherwise prescribed, the effective date of this Order shall be twenty (20) days from and after the date hereof.

Dated at San Francisco, California, this 27th day of February, 1940.

Ray S. Rice
Frank J. Sullivan
Robert W. Babington
Ed. Ball
Justin J. Quinn
Commissioners