

Decision No. _____

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

G. F. PURVINE, et al.,
Complainants,
vs.
SOUTHERN CALIFORNIA TELEPHONE COMPANY,
and
ASSOCIATED TELEPHONE COMPANY LIMITED,
Defendants.

Case No. 4452

ORIGINAL

Archie B. Husband, for Complainants,
James G. Marshall, for Southern California
Telephone Company, Defendant,
Ernest Irwin, for Associated Telephone
Company, Ltd., Defendant.

BY THE COMMISSION:

O P I N I O N

In this proceeding, forty residents of the community of Dominguez ask that the Dominguez area be removed from the service territory of Southern California Telephone Company and that the residents of Dominguez shall be able to obtain telephone service from the Long Beach exchange of Associated Telephone Company, Ltd., at regular Long Beach telephone service rates without being required also to have service from the Wilmington central office of Southern California Telephone Company.

Southern California Telephone Company, hereinafter sometimes termed the Southern Company, and Associated Telephone Company, Ltd., hereinafter sometimes termed the Associated Company, each answered the complaint generally denying the allegations contained therein. Defendants submitted as a Tender of Satisfaction to the complaint a proposal to cooperate in furnishing optional

extended service and message unit service in Dominguez and coincident therewith on some date in the year 1940 to eliminate the dual service requirement now a condition in the schedule of Long Beach foreign exchange service furnished in the San Pedro exchange area. A hearing in the matter was held at Dominguez on February 21, 1940 before Examiner Fry.

The Dominguez community, unincorporated, is less than one square mile in extent, is located in Los Angeles County northwest of Long Beach, northeast of San Pedro and south of Compton. The Dominguez area is contiguous to the Compton exchange area, is in the suburban area of the San Pedro exchange and is noncontiguous to the Long Beach exchange area. It was stated that there were 310 families and twenty business firms in the complaint area. The interests of the community in respect to highways, transportation, schools, utility service, public offices, banking, newspapers, mail delivery, fire protection and voting facilities are not centered in Dominguez or in any one of the nearby communities but are well distributed.

As of February 1, 1940, there were 56 Dominguez area subscribers served by 59 stations of which 50 were San Pedro service, two were Long Beach service and seven were Compton exchange service.

All witnesses, except the Southern Company witness, testified in favor of replacing the San Pedro service with service from the Long Beach exchange. It was stipulated by attorneys for the defendants that twenty-seven subscribers listed in Exhibit "No. 1" filed by the complainants would testify to a preference for Long Beach service, that five would testify to a preference for San Pedro exchange service and that two had no preference.

In a letter received by the Commission from a subscriber in Dominguez and read into the record, vigorous objection was made to the granting of complainants' request. Counsel for the Associated Company expressed the opinion that the Dominguez territory should not be transferred to the Long Beach exchange area.

The great majority of the telephone subscribers in Dominguez desire the Long Beach service for the stated reasons of poor San Pedro exchange service, higher present and proposed San Pedro service charges, and greater community of interest with Long Beach.

Dominguez subscribers to San Pedro service complained of difficulty in securing proper connections when calling, and in excessive ringing on their lines. The record shows that most of the service in Dominguez is furnished under the ten-party suburban schedule which fact should account for much of this trouble as the bells of one group of five subscribers all ring at the same time, and the bells of the other five all ring at the same time, provided the line has been utilized fully. However, there were but forty-eight services on the eight suburban lines serving Dominguez subscribers with common battery manual service. With the Long Beach service there is no group ringing and the subscriber hears only his own signal with his common battery automatic, or dial, service.

The rates for service from the two exchanges vary materially. The San Pedro exchange rate for suburban ten-party residence service with a desk telephone in the San Pedro exchange suburban area (including Dominguez) is \$3.25 per month. Although ten-party suburban residence service with a desk set in the suburban area of the Long Beach exchange is \$2.25 per month, this

charge is augmented by mileage charges when such Long Beach service is furnished in Dominguez. Long Beach foreign exchange ten-party suburban residence service in Dominguez takes the monthly local rate of \$2.25 plus mileage charges for two to five quarter miles. The mileage charge for each of the first two quarter miles air-line distance between the Long Beach base rate area boundary and the Dominguez location of the service is twenty-five cents per month. Each quarter mile, or fraction, air-line distance beyond the first one-half mile takes the rate of fifty cents per quarter mile per month. The charge for Long Beach suburban ten-party residence service with desk telephone in Dominguez ranges, therefore, from \$2.75 to \$4.25 per month.

The rate for four-party residence service with desk set is \$2.25 per month in the San Pedro base rate area. In order to compute the monthly charge for four-party San Pedro residence service in Dominguez, there must be added to the base rate of \$2.25, mileage charges of twenty-five cents per quarter mile for the air-line distance between the service in Dominguez and the nearest point of the San Pedro base rate area. As this distance varies from nine to twelve quarter miles, the charge for the San Pedro exchange four-party residence service with desk set varies from \$4.50 to \$5.25 per month in Dominguez. The rate for Long Beach four-party residence service with desk set is \$2.00 in the Long Beach base rate area. As the distances from various locations in Dominguez to the Long Beach base rate area boundary and exchange area boundary (which are here the same) vary from three to five quarter miles, the monthly rate for four-party Long Beach residence foreign exchange service in Dominguez varies. The mileage rate for each of the first two quarter miles is \$.75 per month and the rate for distances beyond one-half mile is \$1.00

per month for each quarter mile. The rate for a Long Beach residence four-party service with desk telephone in Dominguez, therefore, varies from \$4.50 to \$6.50 per month. When the Long Beach residence foreign exchange service in the San Pedro exchange area (including Dominguez) is more than one-half mile distant from the Long Beach exchange area boundary, the subscriber is required to have a San Pedro service also. Complainants state that this dual service requirement is burdensome to them as it compels them to have a second service for which they have little or no use.

As heretofore discussed, the Southern Company stated its proposal to offer extended service in the San Pedro exchange area (including Dominguez). Extended service was introduced in the Los Angeles Metropolitan Area several years ago and has been proven to be a solution of the usual exchange boundary complaint. However, the application of this optional type of rate treatment to the Dominguez territory as suburban area would not do much to satisfy this complaint on account of the level of the charges for the service. No four-party or ten-party grades of extended service will be offered. For the rate proposed, the extended service subscriber will be privileged to call without toll charges all subscribers in the San Pedro, Long Beach, Compton, Lomita, Redondo and Torrance exchanges. All San Pedro exchange subscribers and all extended service subscribers of the other exchanges named could call the San Pedro exchange subscribers without toll charges. It is evident that a Dominguez (San Pedro) extended service subscriber would not receive the benefit of full toll-free incoming service across the Long Beach-San Pedro common exchange boundary for the reason that all local Long Beach subscribers must pay toll charges for their calls into Dominguez. However, the extended service subscriber has a large toll-free calling area. The lowest rate for

extended service proposed is \$2.75 per month for two-party service with desk set in the San Pedro base rate area. As the air-line distance of Dominguez from the San Pedro base rate area varies from nine to twelve quarter miles, the lowest charge for San Pedro extended service in Dominguez would be \$5.90 per month and at locations in Dominguez most remote from the San Pedro base rate area the charge would be as much as \$6.95 per month. Extended service subscribers would have the benefit of message unit rates. Thus a call beyond the limits of the expanded calling area would take a rate of three and one-half cents per unit, the unit representing each five-cent portion of a station-to-station toll call between the calling area and the point of destination in the Study Area. Message unit service will not be offered to local exchange subscribers. The Southern Company would eliminate the dual service requirement in connection with Long Beach foreign exchange service in the San Pedro exchange area (including Dominguez) at the same time extended service is introduced in the area and which was stated to be programmed for September, 1940.

As a practical matter, the offers of the Southern California Telephone Company do little to satisfy the Dominguez complainants' objections to the present telephone service conditions except that the contemplated elimination of the dual service requirement may later in the year relieve present Long Beach foreign exchange service subscribers in Dominguez of the necessity of retaining two services and may relieve applicants for that service from being required also to subscribe for San Pedro service.

The Southern Company's witness was questioned about the practicability of furnishing service in the Dominguez area at base rates or at base rates plus commuted mileage charges for the better grades of service. It was stated that in addition to the

Dominguez area with its more than three hundred families, there are other well-developed sections not included in the San Pedro base rate area. Apparently there is some discrimination against these sections. Between Dominguez and these other well-developed sections and the San Pedro base rate area the development is not deemed to be sufficient for consideration as base rate area territory. Some California telephone utilities meet the requirements of such isolated developed sections by the establishment of separate base rate areas or special rate areas which allow the recognized better classifications of service to be obtained in such sections for charges more commensurate with the value of the service and the ability of the subscribers to pay than is provided now or proposed by the Southern Company. It was stated that no changes in the base rate area of the San Pedro exchange are contemplated by the Southern California Telephone Company in connection with the present proceeding. Although we are not convinced that the Southern Company's stand in this matter is equitable no order relative to the base rate area will be made in this proceeding.

The complainants are entitled to some immediate relief in their general complaint. The service should be made as adequate and efficient as is reasonably possible with the grade of service which is now generally furnished in Dominguez. As no adequate reason was advanced that the dual service requirement should not be eliminated the Order following will require such action at an early date.

We are of the opinion that the transfer of the Dominguez area from the San Pedro exchange to the Long Beach exchange is not the proper remedy for the situation which occasioned the present complaint which, therefore, will be denied.

O R D E R

This case, being at issue upon complaint and answers on file, having been duly heard and submitted for decision, careful consideration of the matters involved having been had, and basing this Order on the findings of fact and conclusions contained in the Opinion preceding this Order, which Opinion is hereby referred to and made a part hereof;

IT IS HEREBY ORDERED that Southern California Telephone Company and Associated Telephone Company, Ltd. shall cooperate in furnishing Long Beach foreign exchange service in the San Pedro exchange area and that the dual service requirement as discussed in the Opinion preceding this Order shall be discontinued on and after thirty (30) days from the date of this Order.

IT IS HEREBY FURTHER ORDERED that Southern California Telephone Company shall submit to the Railroad Commission of the State of California for filing, not later than twenty (20) days from and after the date of this Order, in accordance with General Order No. 68, a revised schedule for Long Beach foreign exchange service in the San Pedro exchange area without the dual service requirement, as discussed in the preceding Opinion.

IT IS HEREBY FURTHER ORDERED that otherwise this complaint is hereby dismissed without prejudice.

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 19th day of March, 1940.

Ray & Riley
Ray & Riley
Ray & Riley
Ray & Riley
Justin S. Coleman
Commissioners