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Decision No. 35306



BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

Mary R. Vanni, et al, Complainants

3.

Southern California Telephone Company and

Associated Telephone Company, Ltd., Defendants Case No. 4618

Archie B. Husband, for Complainants,
James G. Marshall, for Southern California Telephone Company, Defendant,
O'Melveny & Myers, by Harry L. Dunn, for Associated Telephone Company, Ltd., Defendant,
Maurice Gordon, for Hoytt Construction Company,
J. A. Benell, for Dominguez Estate Company.

BY THE COMMISSION:

<u>OPINION</u>

In this proceeding, fifty-two individuals and one corporation join in a petition to the Commission requesting that a certain area including Dominguez and surrounding territory in Los Angeles County be included in the base rate area of the Long Beach exchange. A hearing in the matter was held at Dominguez on March 11, 1942 before Examiner Fry.

Telephone service is available in the Dominguez area from the San Pedro exchange of Southern California Telephone Company at local exchange rates and from the Long Beach exchange of Associated Telephone Company, Ltd. on a foreign exchange basis. Toll telephone service also is available between the Long Beach exchange and the San Pedro exchange including Dominguez.

A number of witnesses for complainants testified to the fact that telephone service available in Dominguez, requires payments therefor greatly

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in excess of the charges required in the downtown sections of Long Beach and San Pedro for similar services. The unincorporated town of Dominguez is a well-developed section of the type which is generally included in the base rate area. However, it is separated from the base rate area of the San Pedro exchange by undeveloped territory such as is not generally included in a base rate area. Testimony received at the hearing showed that the major community of interest of the people in the complaint area is with Long Beach and that a large number of the Dominguez telephone users have a requirement for Long Beach telephone service and little need for San Pedro exchange service. No testimony against the granting of the petition was heard.

In 1939 a large group of residents in Dominguez filed a formal complaint against the same defendants as appear in this case, asking that the Dominguez area be transferred from the San Pedro exchange area and be included in the Long Beach exchange area. The territory delineated in that proceeding, Case No. 4452, was entirely surrounded by the suburban area of the San Pedro exchange, and the complaint was dismissed by the Railroad Commission without prejudice.

The issues in the two complaints are materially different in two respects. In the present proceeding the complaint area is contiguous to the Long Beach base rate area and that described in Case No. 4452 was isolated and on that account could not regularly be annexed to the Long Beach exchange area. In the present complaint the petitioners ask that the area be included in the Long Beach base rate area, but do not request any change in the rates or area boundaries of the Southern California Telephone Company's San Podro exchange. The allegations made in the complaint are substantiated by the testimony received at the hearing.

On December 7, 1941, war was declared on the United States and an emergency has existed since that time. It has been necessary that priorities be established to set up the order in which vital materials may be purchased and used. The Associated Telephone Company, Ltd., in its answer to the complaint herein, submitted that action in the proceeding should be postponed until

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such time as the work involved would not adversely affect its ability to meet its obligation of furnishing communication services vital to national defense activities. At the hearing, counsel for the defendant companies argued that, on account of orders issued by the War Production Poard, particularly General Conservation Order L-50, the Associated Televhone Company, Ltd. would not be able to secure the equipment and other supplies which would be necessary to enable it to furnish the telephone services in the complaint area which the record in this proceeding indicates would be ordered by the complainants.

If it were not for the emergency and the priority situation with reference to essential telephone materials, the record would justify the granting of the petition and the inclusion of the Dominguez area within the Long Beach base rate area, with the consequent adjustment of rates. The material shortage, however, necessitates a postponement of such action until after the emergency, and the complaint should, at this time, be dismissed without prejudice.

ORDER

This case being at issue upon complaint and answers on file, having been heard and submitted for decision, and basing this decision on the findings of fact and conclusions contained in the Opinion preceding this Order,

IT IS HEREBY ORDERED that this complaint be and it is hereby dismissed without prejudice.

Dated at San Francisco, California, this $\sqrt{24}$ day of May, 1942.

(Commissioners)