

Decision No. 38857

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

IN THE MATTER OF THE APPLICATION of
W. GILMAN SNYDER, doing business as
Western Telephone Company, for authority
to increase exchange service rates, toll
station guarantees, and toll service
station rates in the Weaverville division
of the said company, and to increase the
hours of service from thirteen hours daily
to twenty-four hours daily.

ORIGINAL

Application No. 27277

Snyder and Snyder, by William G. Snyder, for Applicant;
Albert Simpson, for the Trinity National Forest, favoring
the application; Frank E. Hicks, President, Weaverville
Chamber of Commerce, favoring the application.

O P I N I O N

In this application W. Gilman Snyder, engaged in the telephone business in Trinity County and elsewhere in California, requests authority to increase rates for telephone service in Weaverville and vicinity coincident with the establishment of continuous 24-hour service. Appropriate notification was given the Office of Price Administration.

A hearing in this proceeding was held at Weaverville on March 28, 1946 before Examiner Wessells. In addition to the published notice of hearing in the Weekly Trinity Journal, the testimony shows that notices of hearing were mailed to each subscriber in the Weaverville division of the Western Telephone Company.

W. Gilman Snyder, as a witness, testified that telephone service at Weaverville is furnished 13 hours daily. Many subscribers have requested that the service be furnished on a 24-hour daily continuous basis. Applicant testified he is unable to bear the entire increased cost of providing additional service. Accordingly, he proposes to increase exchange service rates, toll station guarantees, and toll service-station service rates coincident with the establishment of the 24-hour service.

At the hearing, Applicant also requested that rates for commercial private branch exchange service, suburban service, and farmer line service be increased. There are two subscribers to suburban service but no subscribers to private branch exchange service or farmer line service at Weaverville. Present and requested rates are set forth in Exhibit A attached to this Opinion and Order and made a part hereof.

Applicant estimates the lengthening of the hours of service would result in added operator expense of \$132 per month and that added revenue of \$72,50 per month would result under the requested increased rates from 201 present subscribers. Snyder expects that new business resulting from increased service will make up the difference between added costs and added revenues.

W. W. Dunlop, Senior Engineer of the Commission's staff, testified that the 1945 operations of the Weaverville division showed a net revenue of \$778.99, and a depreciated rate base of \$6,713. He indicated that if the requested increased rates and 24-hour service had been in effect in 1945 the net revenue would have been \$88.39.

The testimony shows that the telephone company contacted personally or by letter its subscribers approximately 30 days prior to the hearing to determine their reaction to the increased service and rates. Of the 195 subscribers then receiving service, 176 were contacted, 142 of whom indicated they favored the proposal, eight did not favor the proposal, one was undecided, and 25 did not reply.

Snyder testified that in addition to the large majority of subscribers who have indicated their approval of the proposal, a number of nonsubscribers, including 26 who have applications filed waiting for facilities, have expressed a desire for a telephone under 24-hour service at the increased rates requested.

Mr. Albert Simpson stated the Trinity National Forest, United States Forest Service, was in favor of 24-hour service and that it had been endeavoring to obtain the increased service for a number of years.

The Board of Supervisors of Trinity County, at its regular meeting held on February 1, 1946 expressed its approval of Applicant's request to increase rates in consideration of the furnishing of continuous service.

Mr. Frank E. Hicks, President of the Weaverville Chamber of Commerce, indicated his organization, at its regular meeting on February 28, 1946, unanimously endorsed the application of the Western Telephone Company and requested that favorable consideration be given the matter.

No one appeared in opposition to the granting of the application.

In view of the manifest public requirement for continuous telephone service and the evidence that such service could not reasonably be expected to be furnished without an increase in rates, it is apparent that the application should be granted.

ORDER

W. Gilman Snyder having made application to the Railroad Commission for authority to increase certain rates for telephone service coincident with an increase in the hours of service in Weaverville and vicinity, a public hearing having been held, and the matter having been submitted for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA hereby finds as a fact that the increases in telephone rates in Weaverville and vicinity coincident with the establishment of continuous 24-hour service are justified, therefore,

IT IS ORDERED that W. Gilman Snyder may make effective in the Weaverville division of the Western Telephone Company on or before July 1, 1946, the telephone rates set forth under the column entitled "Requested Rates" in Exhibit A attached hereto.

Necessary tariff filings, in accordance with General Order No. 96,
shall be made not later than five days immediately preceding their effective
date.

This Order shall become effective on the date hereof.

Dated at San Angeles, California, this 16th day of April,

1946.

Harold C. Anderson

Justin F. Coe

Stephen J. Perry

Harold P. Huls

Commissioners

EXHIBIT A
THE WESTERN TELEPHONE COMPANY
WEAVERVILLE DIVISION
PRESENT AND PROPOSED RATES

| CLASS AND GRADE OF SERVICE | PRESENT RATES | REQUESTED RATES | INCREASE |
|--|---------------|-----------------|----------|
| 1. Exchange Service: | | | |
| a. Business Flat Rate Service, Per Month: | | | |
| Each individual line primary station | \$3.00 | \$3.50 | \$.50 |
| Each party line primary station | 2.00 | 2.50 | .50 |
| Each suburban primary station | 3.00 | 3.50 | .50 |
| b. Residence Flat Rate Service, Per Month: | | | |
| Each individual line primary station | 2.50 | 3.00 | .50 |
| Each party line primary station | 2.00 | 2.50 | .50 |
| Each suburban primary station | 2.50 | 3.00 | .50 |
| c. Commercial Private Branch Exchange Service, Per Month: | | | |
| (1) Cordless Switchboards: | | | |
| Capacity, 3 trunk lines and 7 stations | 4.50 | 5.25 | .75 |
| Capacity, 5 trunk lines and 12 stations | 5.50 | 6.50 | 1.00 |
| (2) Trunks: | | | |
| First bothway trunk | # | # | |
| Each additional bothway trunk | * | * | |
| (3) Stations: | | | |
| Each wall, desk, or hand set station | 1.00 | 1.25 | .25 |
| d. Business and Residence Farmer Line Service, Per Year: | | | |
| Each station | 3.00 | 3.50 | .50 |
| 2. Toll Guarantees: | | | |
| Minimum guarantee per station, per month | 3.00 | 3.50 | .50 |
| 3. Toll Service-Station Service: | | | |
| Each station, per year | 3.60 | 4.50 | .90 |

NOTES

The rates shown under 1, a, and 1, b, above are for a hand or desk set station. Service furnished with a wall set station is \$0.50 less per month.

Business individual line wall set rate plus \$2.00 per month.

* Rate for first bothway trunk less 25%.