

Decision No. 40517**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

MARY R. VANNI et al., Complainants vs.
SOUTHERN CALIFORNIA TELEPHONE COMPANY
and ASSOCIATED TELEPHONE COMPANY, LTD.
Defendants

Case No. 4268

Archie B. Husband for complainants; Felix T. Smith
and Arthur T. George by James C. Marshall, and
Leslie C. Tupper for The Pacific Telephone and
Telegraph Company, formerly Southern California
Telephone Company, defendant; Marshall A. Taylor
for Associated Telephone Company, Ltd., defendant;
J. A. Pennel for Dominguez Estate Company and
Dominguez Water Company, interested parties.

POTTER, Commissioner:

OPINION

Complainants request that this Commission issue an order placing the area in which they reside in the base rate area of the Long Beach exchange of the Associated Telephone Company, Ltd.

A hearing was held in this matter in Dominguez on April 9, 1947 before Commissioner Potter and Examiner Chiesa.

Complainants are residents of Dominguez, Lincoln Village and vicinity, a community of several thousand persons, located in the unincorporated territory in the County of Los Angeles. The area, approximately one square mile, is generally known as Dominguez, and is bounded on the north by Dominguez Street, on the east by the Los Angeles River, on the south by 223rd Street, and on the west by Alameda Street. Said area, hereinafter referred to as the complaint area, is in the base rate area of the San Pedro exchange of Southern California Telephone Company, now The Pacific Telephone and Telegraph Company.

The complaint is signed by 54 subscribers to Long Beach foreign exchange service, 203 subscribers to the San Pedro service, and an additional 262 persons,

nonsubscribers, all of whom are alleged to be prospective subscribers for the Long Beach service.

The testimony of 11 complaining witnesses^{1/} was substantially as follows: that in the complaint area there are several thousand homes and the usual business establishments; that most of the people in said community have many business and social interests in the city of Long Beach and few in San Pedro or Wilmington; that the complaint area is closer to Long Beach than to San Pedro or Wilmington and is contiguous to the Long Beach base rate area of the Associated Telephone Company, Ltd.; that they are now required to subscribe to Long Beach foreign exchange service or San Pedro exchange extended service; that the Long Beach foreign exchange service rates are much higher than the local service rates in the Long Beach base rate area and that the San Pedro extended service is not satisfactory nor convenient for persons desiring to call into the complaint area from Long Beach because such calls cannot be made without payment of toll charges; that defendants have discouraged the use of Long Beach foreign exchange service in favor of San Pedro extended service.

Complainants also contend that emergency and priority conditions with reference to essential telephone materials no longer exist and, therefore, their request to be included within the Long Beach base rate area should be granted as indicated in Decision No. 35306, dated May 5, 1942^{2/}.

Three witnesses testified for defendants; two representing defendant Associated Telephone Company, Ltd., and one for The Pacific Telephone and Telegraph

^{1/} It was stipulated that 16 additional complainants, present at the hearing, would give substantially the same testimony.

^{2/} In Decision No. 35306, Case No. 4618 a similar complaint, filed by some of the present complainants against the same defendants, was dismissed without prejudice because priority and emergency conditions (due to the war effort) then existing precluded the granting of complainants' request. On March 19, 1940, a previous similar complaint was also dismissed without prejudice after ordering defendants (1) to cooperate in furnishing Long Beach foreign exchange service in the San Pedro exchange area, and (2) to discontinue the dual service requirement then pertaining to the complaint area (Decision No. 32921). The record in the present proceeding indicates that defendant companies have complied with said order.

Company. Documentary evidence also was offered to support the utilities' position that the complaint should be dismissed.

The evidence of record shows that in 1942, at the time of the previous hearing, The Pacific Telephone and Telegraph Company (then Southern California Telephone Company) had a plant investment in the complaint area of approximately \$26,000 plus an additional investment of approximately \$21,000 in plant property (exclusive of central office equipment) outside the complaint area, allocated for use in serving said area; that in 1946 this company's plant investment (book cost) was approximately \$65,000 in the complaint area and an additional \$64,000 outside the area allocated to service therein, also exclusive of central office equipment; that the company's present plans call for a further expenditure, in the near future, of \$75,000 in the northeast portion of the San Pedro exchange area, which includes the complaint area, for underground conduits, cable, and other facilities, said investment to be made as soon as materials are available; that in 1946 the complaint area was placed within the base rate area of the San Pedro exchange, thus eliminating all mileage charges to San Pedro exchange service subscribers in the area; that defendant, The Pacific Telephone and Telegraph Company, now provides message toll service, foreign exchange service, San Pedro local service, and San Pedro extended service to subscribers in the complaint area; that 627 subscribers are now served in said area, 569 of whom receive San Pedro service, 56 of whom receive Long Beach foreign exchange service, and two of whom receive Los Angeles foreign exchange service; that of the 569 San Pedro exchange service subscribers, 476 are subscribers to extended service, the local service area for which includes Compton, Lomita, Redondo, San Pedro, Torrance, and Long Beach; that this defendant is planning the introduction of direct subscriber dialing between San Pedro and Long Beach for San Pedro extended service subscribers at the earliest possible date, which will enable San Pedro extended service subscribers to dial direct to Long Beach exchange service subscribers; that defendant's rates and charges for the services offered in said complaint area are not unreasonable (see Appendix "A" to this decision); that a Southern Area directory will be issued next fall which will have the San Pedro, Wilmington, and Long Beach subscribers in the same alphabetical index.

Witnesses for defendant Associated Telephone Company, Ltd., testified that there is a shortage of materials and telephone equipment, particularly lead-covered cables; that, because of said shortages and the orders on hand, it is difficult for this defendant to serve adequately its present customers or to serve all applicants for telephone service in the areas now being served; that it would require substantial amounts of telephone equipment and materials for this defendant to incorporate the complaint area in its Long Beach exchange; that telephone service in said area could not be established before the latter part of 1948 or 1949; that this defendant does not favor the incorporation of the complaint area in its Long Beach exchange.

Due to the shortage of facilities, residents of the complaint area, subscribers, and prospective subscribers are not receiving the benefits of services, and the grade of service, contemplated under the filed tariffs. Relief of the facilities shortage will make extended service available throughout the Long Beach exchange at a rate slightly higher than the rate for local service. This will enable an increasing number of Long Beach subscribers to call San Pedro subscribers, including those in the complaint area, without the payment of a toll charge.^{3/}

Adequate, efficient, and satisfactory service should be made available to the residents of this area as soon as reasonably possible. Although the record indicates that defendants recognize their responsibilities, it is concluded, in view of the repetitious complaints arising in the complaint area, that defendants report to this Commission, at reasonable intervals, the progress made by them in fulfilling the service requirements of the subscribers and of others requesting telephone service in said area.

The Pacific Telephone and Telegraph Company has generally improved its telephone service in the complaint area and is undertaking additional improvements

^{3/} A witness for Associated Telephone Company, Ltd. testified that extended service in the Long Beach exchange area has been developed to the extent that only 4% of the subscribers have extended service and that company plans call for an increase in this type of service of from 20% to 40% in the next 12 months.

as soon as reasonably possible, and we find that the evidence is insufficient to justify the granting of complainants' request.

Therefore, it is concluded that the complaint herein should be dismissed, except as hereinafter provided.

The following form of Order is recommended:

O R D E R

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 ORDERED:

1. That The Pacific Telephone and Telegraph Company, beginning December 31, 1947, and semi-annually thereafter to and including December 31, 1949, shall file with this Commission a written report showing:
 - a. The class, type, grade, and number of telephone services within the complaint area described in the foregoing Opinion;
 - b. The number of orders received for new services and regrading of existing services, within the complaint area, and installations made pursuant thereto during the preceding six-month period;
 - c. The additions and betterments to plant facilities applicable to the complaint area.

2. That Associated Telephone Company, Ltd., beginning December 31, 1947, and semi-annually thereafter, to and including December 31, 1949, shall file with this Commission a written report showing:
 - a. The number and percentage of extended services within its Long Beach exchange;
 - b. The number of orders received for extended service within the Long Beach exchange and the number of installations made pursuant thereto during the preceding six-month period;
 - c. The additions and betterments to plant facilities within the Long Beach exchange.

3. That in all other respects the complaint hereby be, and it hereby is dismissed.

The effective date of this Order shall be twenty (20) days from the date hereof.

The foregoing Opinion and Order are hereby approved and ordered filed as the Opinion and Order of the Public Utilities Commission of the State of California:

Dated at San Francisco, California; this 8th day of July, 1947.

Harold P. Kula
Justice J. Calver
James H. Powell
A. J. Morrison
Kenneth W. Potter
Commissioners.

APPENDIX "A"

THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY
CASE NO. 4868

PRESENT BASIC MONTHLY RATES APPLICABLE
WITHIN COMPLAINT AREA

(DESK SET AND HAND SET)

	San Pedro	Long Beach-Foreign
Class.	Exchange Service	Exchange Local Service#
Type and Grade of Service	Local : Service	1/4 Mi. : 2/4 Mi. : 3/4 Mi. : 4/4 Mi. :

Business Service:

Individual line - Flat	\$ 5.25**	\$ -	\$ 5.50	\$ 6.75	\$ 8.00	\$ 9.25
- Message	-	4.00-70	-	-	-	-
Two-party line - Flat	4.50**	-	-	-	-	-

Residence Service:

Individual line - Flat	3.00	3.25	4.00	5.25	6.50	7.75
Two-party line - Flat	2.50	2.75	-	-	-	-
Four-party line - Flat	2.25	-	2.75	3.50	4.25	5.00
Suburban - Flat*	-	-	2.50	2.75	3.25	3.75

- Service not offered

Monthly rates shown include foreign exchange mileage charges applicable by 1/4 mile steps from the nearest point on the common exchange boundary of the Long Beach and San Pedro exchanges.

* Suburban service is not offered in the complaint area. Rates shown are for suburban service furnished on a deviation basis.

** Rates effective July 6, 1947. Decision No. 40437. Prior to this date the individual line rate was \$4.25 and the two-party line rate was \$3.75.

The number following a business individual line rate designates the exchange message allowance included in rate; each exchange message over allowance, 3-1/2 cents; other rates shown are flat rates.

Extension Stations:

Business - Flat	\$ 1.00
- Message	.75
Residence	.75

Each wall set station - desk set station rate less \$0.25 per month.