

Decision No. 40777**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 PUBLIC UTILITIES CALIFORNIA CORPORATION,
 a corporation, to establish, maintain and
 operate a telephone exchange at Canby,
 Modoc County, California, to provide and
 render telephone exchange service in the
 Canby exchange, and to file and make
 effective rates for telephone service in
 said Canby Exchange.

Application No. 28716

O P I N I O N

In this application, Public Utilities California Corporation, engaged in the business of operating telephone utility systems in various communities in California, including telephone systems serving in Lassen, Modoc, Plumas, Shasta and Tehama Counties, and known as the "Susanville Operations," seeks authority to establish a telephone exchange and to file rates for exchange service in the town of Canby, Modoc County, to discontinue the present toll station and toll service-station service in the area, and to establish an exchange connecting point for toll telephone and telegraph service.

The proposed Canby exchange area, as set forth in Exhibit A, contains approximately 110 square miles of territory including the town of Canby and surrounding area. The town of Canby is located approximately 19 miles west of Alturas. At present telephone service in the area is furnished by means of one toll station designated "Canby" and nine toll service stations switched at the Canby toll station to a metallic toll circuit from Alturas, Modoc County, extending through Canby to Redding. Under Applicant's proposal a new exchange, including a base rate area, as shown in Exhibit B, will be established and exchange service furnished by means of unattended dial switching equipment and a local distribution system at Canby. Toll, information, and miscellaneous services are proposed to be offered through Applicant's Alturas office which will serve as the control office for the unattended dial unit at Canby. The toll line facilities as rearranged and augmented under the proposal for connection at Canby, include two trunk circuits.

Upon the establishment of the proposed Canby exchange, Applicant proposes to serve the existing nine subscribers to toll service-station service on an exchange basis and to withdraw the offering of said toll service-station service at Canby. Photostatic copies of signed applications from the nine present toll service-station service subscribers at Canby, indicating their desire for the proposed exchange service, are included in Exhibit F.

No changes in toll or telegraph service rates will result under the proposal. The charges for toll telephone and telegraph services to and from Canby exchange subscribers would be in accordance with the bases used by Applicant throughout its Susanville operating area. The proposed rates for exchange service are set forth on Exhibits D and E. The principal exchange rates requested may be summarized as follows:

<u>Grade of Service</u>	<u>Rate Per Month-Hand Set Station</u>	
	<u>Business Service</u>	<u>Residence Service</u>
One-Party	\$ 4.00	\$ 3.75
Four-Party	3.25	3.00
Extension	1.50	1.25
Farmer Line	6.00*	6.00*

* Rate per year.

It is noted that Applicant has not included rates for suburban service. If a requirement should develop for this service, the Commission will expect the Applicant to offer such service and file appropriate rates.

The Applicant presented in Exhibit C the estimated results of the first year's operations of the proposed Canby exchange as follows: investment in plant - \$6,560; revenues - \$2,252; expenses - \$1,875; and net available for return - \$377. Based upon the company's estimate of investment, revenues and expenses, the ratio of net available for return to investment in plant is 5.75%.

The establishment of the proposed Canby exchange and the rendering of dial exchange telephone service therein should substantially increase the efficiency of Applicant's operations in the Canby area and should materially improve existing service.

ORDER

The Public Utilities Commission of the State of California having considered Applicant's requests, and being of the opinion that a public hearing is not required and that Applicant's requests should be granted, ~~the Public Utilities Commission~~ hereby finds as a fact that the establishment of a telephone exchange by Applicant at Canby, with the rates and charges herein authorized, is justified; therefore,

IT IS ORDERED that Public Utilities California Corporation may:

1. Establish a telephone exchange at Canby on or before March 31, 1948.
2. File in accordance with General Order No. 96 and make effective in the Canby exchange, coincident with establishment of the exchange and on not less than five (5) days' notice, the exchange area and base rate area maps and rates for telephone and telegraph service as set forth on Exhibits A, B, D, and E, respectively, attached to the application.
3. Coincident with the establishment of the Canby exchange, withdraw the offering of and cancel rates for toll station and toll service-station service at Canby.

This Order shall become effective on the twentieth day after the date hereof.

Dated at Los Angeles, California, this 30th day of September, 1947.

Harold P. Hills
James F. Calver
Frank R. ...
R. J. ...
Commissioners.