

Decision No. **40985**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
THE PACIFIC TELEPHONE AND TELEGRAPH
COMPANY, a corporation,
for authority to discontinue the
operation of a telephone exchange
at Paraiso Springs, Monterey County,
California.

ORIGINAL

Application No. 28878

OPINION AND ORDER

The Pacific Telephone and Telegraph Company, a corporation, operating a telephone system in California and elsewhere, herein seeks authority to discontinue its Paraiso Springs exchange, Monterey County, effective on or before June 30, 1948.

Paraiso Springs exchange is located approximately four miles airline distance west of Greenfield and seven miles southwest of Soledad. It serves an area of some 58 square miles of sparsely settled mountainous territory. Applicant states that the exchange was established in May, 1912 to provide telephone service for the Paraiso Hot Springs Hotel and seven farmer line stations. The exchange now serves a total of 12 stations consisting of one switchboard telephone, one extension located in a booth, and a two-party business telephone, all of which are located in the Paraiso Springs Hotel, and one farmer line with nine stations connected. Telephone service is also available in the exchange at a semipublic toll station designated Olsen Ranch and located one and one-half miles northeast of the central office.

Applicant states that on April 1, 1947, it was required to employ an agent to operate this exchange at a cost of \$200 per month, that the agent now wishes to be relieved of these duties, and that there appears to be no possibility of securing any other agent. Applicant estimates the exchange and toll revenues from the Paraiso Springs exchange under interim rates now in effect average \$65.50 per month, only about eight per cent being from exchange service.

Based upon the above amounts, the cost of operating this exchange exceeds the revenue received by approximately \$135 monthly or \$1,620 annually, without considering any allocation or other charges.

Applicant proposes to discontinue the exchange service at Paraiso Springs and in lieu thereof to establish a semipublic toll station at the Paraiso Springs Hotel. Applicant further proposes to convert the Olsen Ranch semipublic toll station to a public toll station and connect thereto the nine farmer line stations on a toll service-station basis. In order to effect these changes, Applicant plans to install a new circuit between Paraiso Springs and Olsen Ranch and to convey to the farmer line subscribers the present copper wire circuit, measuring 1.57 miles, between Paraiso Springs and Olsen Ranch.

The toll rates applicable to the toll stations proposed to be established in the application would be the same as those now in effect from Paraiso Springs, except that the initial period rate to Greenfield would be increased from \$0.05 to \$0.10 and an initial period rate of \$0.10 would apply to calls placed between the proposed toll service-station services and the Paraiso Springs Hotel. Based upon an analysis of six months' toll usage, Applicant estimates the increases from toll charges under its proposal would be negligible (approximately \$0.20 per month to subscribers). Attached to the application are photostatic copies of letters filed by the agent and subscribers affected, agreeing to the changes.

The Commission has given consideration to this application, is of the opinion that the authority requested should be granted and that this is a matter in which a public hearing is not required, and finds that the increases in charges which will result from the changes herein authorized are justified, therefore

IT IS ORDERED that The Pacific Telephone and Telegraph Company is hereby authorized on or before June 30, 1948, to discontinue its Paraiso Springs exchange, to cancel its rate schedules and map effective for exchange telephone service in the Paraiso Springs exchange area and in lieu thereof to establish the toll stations and offer toll service-station service from the Olsen Ranch toll station.

IT IS FURTHER ORDERED that the necessary tariff schedules, in accordance with General Order No. 96, shall be filed not less than ten (10) days prior to the establishment of the toll station service hereinabove authorized.

This Order shall become effective twenty (20) days after the date hereof.

Dated at San Francisco, California, this 1st day of December, 1947.

Harold A. Kula
Justin D. Casper
Frank Russell
R. J. Dunderman

Commissioners