

Decision No. 41129

ORIGINAL

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 permission to publish, file and
place in effect exchange, interex-
change and telegraph rates at
Huron, Fresno County, California.

Application No. 28986

O P I N I O N

In this application, The Pacific Telephone and Telegraph Company, a corporation, operating a telephone system in California and elsewhere, proposes to establish a telephone exchange at Huron, Fresno County, and requests authority to file and make effective rates for exchange service and for message toll and telegraph services.

Huron is an unincorporated community, located in the southwest part of Fresno County, approximately 15 miles airline distance northeast of Coalinga. The Applicant originally established a telephone exchange at Huron in 1920, which was discontinued on March 15, 1939. Telephone service subsequent to March 15, 1939 has been furnished the community by means of toll stations. There are at present 29 toll stations serving this community.

The Applicant advises that since 1944, the area has assumed considerable importance, owing to changed agricultural activities and Huron is now the shipping center for a large melon and diversified vegetable producing region with an almost continuous shipping season. This has resulted in increased commercial and residential development in the town of Huron and the territory adjacent thereto and, because of this increased development, Applicant believes that the establishment of an exchange at Huron will better meet the needs of the general public, the residents, and the business establishments.

In order to determine the potential subscribers to Huron exchange service, the Applicant has conducted a canvass of the residents of the community.

A total of 37 applicants, including all of the present toll station agents at Huron, has signed service application cards for Huron exchange service. The prospective subscribers and the class, type, and grade of service applied for are shown in Exhibit A, attached to the company's application.

The Applicant proposes to furnish exchange telephone service at Huron through the establishment of a separate community dial exchange. Under this plan, toll and other traffic requiring the assistance of an operator will be furnished from the company's Coalinga toll office, approximately 15 miles airline distance southwest of Huron.

The proposed rates for exchange service are set forth on page 2 of Exhibit C, attached to the application. These rates correspond to Rate Group 1, rates authorized for exchanges of similar size under the Commission's Third Interim Order, Decision No. 41021 (Application No. 28211). The principal exchange rates may be summarized as follows:

<u>Class of Service</u>	<u>Rate per Month*</u>	
	<u>Business Service</u>	<u>Residence Service</u>
One-party, flat rate	\$4.25	\$3.00
Two-party, flat rate	3.75	2.75
Four-party, flat rate	-	2.25
Ten-party suburban	3.50	2.75
Each extension station	1.25	1.00

* Desk or hand set station.
Wall set station \$0.25 less.

The Applicant, in Exhibits D and G, presented the estimated revenues and expenses for one year and five years after the establishment of the proposed Huron exchange, together with estimates of plant investment required to provide the proposed service. These exhibits indicate that after one year's operation of the Huron exchange, the Applicant will have invested approximately \$42,100 in exchange plant, in addition to approximately \$23,100 in toll facilities. Operating revenues during this period are estimated in the amount of \$16,860 with operating expenses of \$10,312. After five year's operation, the Applicant estimates an investment of \$42,200 in exchange plant and \$26,800 in toll facilities. It is estimated that after five years of operation, the annual revenue will be \$31,825 with annual expenses in the amount of \$18,291.

Exhibit E, as amended, sets forth the proposed message toll telephone and telegraph rates for Huron exchange, which are in accordance with the bases generally used throughout the state.

The establishment of the proposed Huron exchange should result in an improved service to that community.

ORDER

The Public Utilities Commission of the State of California having considered Applicant's request and being of the opinion that a public hearing is not required and that the granting of the application would be in the public interest, therefore

IT IS ORDERED as follows:

1. The Pacific Telephone and Telegraph Company is authorized to file on or before October 31, 1948, in accordance with General Order No. 96 and make effective in the Huron exchange, coincident with the establishment of the exchange and on not less than ten (10) days' notice, the rates for exchange telephone service, message toll telephone service, and telegraph service, and maps of the base rate and exchange areas as set forth in Exhibits C, E, as amended, and F, respectively, attached to the application.
2. This Order shall become effective on the twentieth day after the date hereof.

Dated at San Francisco, California, this 19th day of January, 1948.

R. T. [Signature]
Justice F. Quinn
[Signature]
Harold P. Kils
[Signature]
Commissioners