

ORIGINAL

Decision No. 41535

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
CALIFORNIA WATER & TELEPHONE COMPANY,
a corporation, for permission to give
exchange telephone service to the un-
incorporated area known as Mount Wilson,
Los Angeles County, California, and the
immediate surrounding territory, and to
publish, file and make effective rates
for exchange service and for inter-
exchange service in connection with said
exchange telephone service.

Application No. 29033

O P I N I O N

California Water & Telephone Company, operating a telephone system in California, proposes to establish a telephone exchange at Mount Wilson, Los Angeles County, and requests authority to file and make effective rates for exchange and for message toll and telegraph services.

The proposed Mount Wilson exchange area comprises approximately eight square miles of mountainous territory now included in the northwest corner of Applicant's Sierra Madre exchange which is part of the Los Angeles extended area. The proposed Mount Wilson base rate and exchange areas, together with the Sierra Madre base rate and exchange areas are shown on a map included with an amendment to the application and designated Exhibit A amended.

There are now three telephone subscribers located within the proposed Mount Wilson exchange area. Farmer line service is furnished to two of these subscribers from The Pacific Telephone and Telegraph Company's Pasadena exchange at rates filed as deviations

to the regularly filed tariffs. The third subscriber is served from Applicant's Sierra Madre exchange over a United States Forest Service line. Details of these services are shown in Exhibit C attached to the application. In addition, three private line program transmission circuits and two private line telephone circuits are furnished to customers having broadcasting facilities at Mount Wilson.

Applicant has made a survey of the present and potential subscribers including a forecast of the estimated telephone traffic if the proposed Mount Wilson exchange service is offered. Demand for exchange service by broadcasting and other commercial organizations is indicated. Exhibits F, G, and H attached to the application set forth this demand in detail. In a supplement to Exhibit F attached with an amendment to the application, there is shown an expected development of 15 business service subscribers within one year. There is little or no demand for residence service at this time.

Applicant proposes to furnish service to Mount Wilson exchange through establishment of an unattended community dial exchange. Under this plan, toll and all other traffic requiring the assistance of an operator will be furnished from the Pacific Company's Lake Central Office, Pasadena, a distance of 5.1 airline miles.

The proposed rates for exchange service set forth in Exhibit B, amended, comprehend nonoptional extended service for business, residence, private branch exchange, and public pay station services. The principal rates may be summarized as follows:

<u>Service*</u>	<u>Desk or Hand Set Station#</u> <u>Flat Rate Per Month</u>
Business Individual Extended	\$15.00
Residence Individual Extended	8.00
Commercial and Hotel PBX, Each Trunk	22.50
Party Line and Semipublic Coin Services	Not Offered
Extension Station Business	1.25
Extension Station Residence	1.00

* The local calling area for all services offered includes Mount Wilson and Sierra Madre exchanges and Sycamore district area of Pasadena exchange.

Wall set station \$0.25 per month less.

It is proposed to include the Mount Wilson exchange within the Los Angeles extended area. Exhibit M sets forth the proposed tariff sheet to offer message unit service in Mount Wilson. Message toll telephone service will be offered at the basic rates of The Pacific Telephone and Telegraph Company.

The traffic between stations at Mount Wilson is estimated to be negligible. It is estimated that the major portion of the traffic will be to Pasadena and other Los Angeles metropolitan area points. It is thus found that extended service offers advantages to potential subscribers over local service. Exhibit D, supplemented, presents photostatic copies of letters from the present subscribers in the proposed Mount Wilson area indicating their agreement to the proposed rates and charges. Exhibit E presents a photostatic copy of a letter from The Pacific Telephone and Telegraph Company showing its agreement to Applicant's establishing the proposed Mount Wilson exchange and to withdrawing the two services presently filed as deviations.

An estimate of Applicant's results after one year of operation at Mount Wilson is presented in Exhibit J, amended. This shows a total investment of \$10,390, revenues of \$3,676, and expenses of \$3,090. under the proposed rates and service arrangements.

By establishment of a Mount Wilson rate center, charges for private line services in that area will be based upon distances from the proposed rate center instead of the Sierra Madre rate center. The charges will be both increased and decreased. Exhibit N shows the changes to existing services with a total increase of \$7 and a total decrease of \$41 resulting in a net decrease of \$34 per month.

At various times in the past, Applicant has been requested by patrons and business establishments located in the Mount Wilson area to provide adequate telephone service including the establishment of a separate exchange.

The establishment of the proposed Mount Wilson exchange should result in improved service to that area.

O R D E R

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, finds that the increases in rates and charges which would result from a granting of the application are justified, therefore

IT IS ORDERED as follows:

California Water & Telephone Company is authorized to file on or before October 31, 1948, in accordance with General Order No. 96, and make effective in the Mount Wilson exchange, coincident with the establishment of the exchange and on not less than ten (10)

days' notice, the rates for exchange telephone service, and maps of the base rate and exchange areas as set forth in Exhibits A amended, B amended, and M.

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

Dated at San Francisco, California, this 27th day of April, 1948.

R. F. Anderson
Justus F. Gaeuer
Graydon Rayell
Harold T. Kula
Kenneth B. Potter
Commissioners.