

Decision No. 42485**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 authority
 to discontinue the operation of a
 telephone exchange at Clay, Sacramento
 County, California.

Application No. 29996

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 Clay exchange, Sacramento County, effective on or before July 1, 1949. The Clay exchange located in the southern portion of Sacramento County, approximately 25 air-line miles southeast of Sacramento, serves an area of approximately 90 square miles, including the small agricultural community of Clay.

Applicant states the Clay exchange, established in 1902, had a maximum development of 14 stations in 1907, and at present serves five stations consisting of one public telephone station and four farmer line stations.

Applicant proposes to enlarge the exchange area of its Herald exchange, Sacramento County, to include the area now within the Clay exchange and provide Herald farmer line service to the four farmer line subscribers. Applicant further proposes to discontinue its public telephone station at Clay, where the average public usage was \$2.14 per month during the period from March, 1948 through August, 1948. The Herald exchange is served by a dial central office which will make continuous exchange and toll message service available to the present Clay subscribers.

Clay is presently served by a magneto central office, furnishing service from 8:30 a.m. to 6 p.m. on weekdays, Sundays, and holidays. The provision of Herald farmer line service to the present Clay subscribers will not affect the basic exchange rate for this class of service since both exchanges have the same farmer line rates. There will be a five-cent increase in the initial period rate for intrastate message toll telephone service to ten, a five-cent decrease to two, and no change to 25 of 37 representative points within 40 miles of Clay. For the period from January 26, 1948 to July 25, 1948 there was an average of 37 intrastate toll calls per month from the Clay exchange with associated revenue of approximately \$8.11 per month.

Attached to the application are photostatic copies of applications for service signed by the subscribers and agent affected, agreeing to the change. It appears there is no likely potential future requirement for separate exchange telephone service at Clay. Provision of service from the Herald exchange will make exchange and message toll service available 24 hours a day, whereas limited service is now offered.

The Commission having considered the request of applicant and being of the opinion that the application should be granted and that a public hearing is not necessary, hereby finds as a fact that the increases in rates herein authorized are justified; therefore,

IT IS HEREBY ORDERED that The Pacific Telephone and Telegraph Company is authorized on or before July 1, 1949 to discontinue its Clay exchange, to cancel its rate schedules and map effective for exchange telephone service in the Clay exchange area, and, in lieu thereof, to include the present Clay exchange area within the exchange area of the Herald exchange, to provide Herald exchange service to

the subscribers mentioned above, and to discontinue the public pay station located in the Clay exchange.

IT IS FURTHER ORDERED that the necessary tariff schedules, in accordance with General Order No. 96, shall be filed not less than fifteen (15) days prior to the provision of the Herald exchange service hereinabove authorized.

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

Dated at San Francisco, California, this 8th day of February 1949.

A. J. Anderson
Justus J. Coe
Harold P. Hill
Fremont P. Potter
Commissioners.