

Decision No. 43436

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, interexchange and telegraph
rates at Clear Lake Oaks, Lake County,
California.

Application No. 30453

O P I N I O N

In this application, as amended on October 7, 1949, The Pacific Telephone and Telegraph Company, a corporation, operating a telephone system in California and elsewhere, proposes to establish a telephone exchange at Clear Lake Oaks, Lake County, and requests authority to file and make effective rates for exchange service and for message toll and telegraph services.

Clear Lake Oaks is an unincorporated community located approximately ten miles southeast of Nice and eight miles north of Lower Lake, in Lake County. The applicant alleges that the community of Clear Lake Oaks has grown rapidly in the past few years, that it now consists of approximately 50 business establishments and 300 homes in the built-up area, and that this community is receiving telephone service at present by means of 19 toll stations. Because of the growth of the area and the increasing number of year-round residents, the applicant believes the establishment of an exchange will better meet the needs of the general public, the residents, and the business establishments.

During the month of September, 1949, the applicant alleges it conducted a canvass of prospective customers in the community of

Clear Lake Oaks to determine if they desired to apply for telephone service at the rate levels proposed by the applicant. There are 116 applicants, including the 19 present toll station agents in the Clear Lake Oaks community, who have signed service application cards for exchange service. The number of prospective subscribers by class, type and grade of service applied for, is shown in Exhibit B attached to the company's first amended application.

The applicant proposes to furnish exchange telephone service at Clear Lake Oaks through the establishment of a separate community toll exchange. Under this plan, toll and other traffic requiring the assistance of an operator will be furnished during the day hours from the Lower Lake central office and during the night hours from the Wapa toll office.

The proposed rates are set forth in Exhibit A attached to the company's first amended application. These rates correspond to those for single office exchanges outside extended areas having 500 company stations or less (Group A) authorized under the Commission's Decision No. 43145 (Application No. 29854), dated July 26, 1949. The principal exchange rates proposed may be summarized as follows:

<u>Class of Service</u>	<u>Rate per Month</u>	
	<u>Residence Service</u>	<u>Business Service</u>
One-party, flat rate	\$3.50	\$5.25
Two-party, flat rate	3.00	4.25
Four-party, flat rate	2.50	-
Ten-party suburban	3.00	4.00
Farmer line, each station	.60	1.00

Exhibits C and D attached to the first amended application, show the estimated investment, revenues, and expenses one year after the establishment of the proposed Clear Lake Oaks exchange as follows: Investment in exchange plant, \$57,900; investment in toll plant, \$17,200; annual operating revenues, \$21,700; and annual operating expenses, \$21,400.

Exhibit E sets forth the proposed message toll telephone and telegraph rates for Clear Lake Oaks exchange, which are in accordance with the bases generally used throughout the state. Two maps filed as Exhibit F show the proposed exchange area and base rate area boundaries of the proposed Clear Lake Oaks exchange.

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

O R D E R

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

IT IS HEREBY ORDERED that The Pacific Telephone and Telegraph Company is authorized to file with this Commission after the effective date of this order and on or before August 31, 1950, in accordance with General Order No. 96, the schedules of rates for exchange telephone service, message toll telephone service, and telegraph service, and maps of the exchange and base rate areas as set forth in Exhibit A attached to the first amended application, and Exhibits E and F, respectively, attached to the application, and, after not less than ten (10) days' notice to the Commission and to

the public, to make such rates effective in the Clear Lake Oaks exchange, coincident with the establishment of the exchange.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 25th day of October, 1949.

R. Z. Indurana
Justus J. Craswell
Superintendent
Harold P. Kille
Francis W. Potter
Commissioners.