

ORIGINAL

Decision No. 45116

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 Muroc, Kern County, California.

Application No. 31862

Arthur T. George and Dudley A. Zinke, attorneys, for applicant; Interstate Telegraph Company by H. M. Hammack, attorney; Edwards Air Force Base of the United States Air Force by Lt. Colonel Robert W. Hedleston, U.S.A.F., Base Executive, interested party.

O P I N I O N

In this application filed October 23, 1950, The Pacific Telephone and Telegraph Company, a corporation, seeks authority to publish, file, and place in effect for Muroc, Kern County, California, certain exchange and interexchange telephone and telegraph rates.

A public hearing on this application was held before Examiner Warner at Mojave, California, on November 30, 1950.

Applicant is engaged in the furnishing of all types of telephone and telegraph service throughout California and four other Pacific Coast states, and serves about 65,000 telephone stations in Kern and Tulare Counties in 19 different exchanges with current monthly billing approximating \$700,000. Applicant and its predecessors, since January 1, 1901, have been furnishing telephone and telegraph service in its Mojave exchange. The present boundaries, which were established by Advice Letter No. 4679 dated June 22, 1949,

are shown by a solid green line on the map filed at the hearing as Exhibit No. 1. Also shown thereon in a solid red line are the boundaries of the present Mojave base rate area. The proposed Muroc exchange area boundary is shown on said map in a broken green line, and the proposed Muroc base rate area is shown with a broken red line.

The record shows that Edwards Air Force Base and certain major aircraft company establishments are located outside the proposed Muroc base rate area, the proposed Muroc base rate area being intended to include only the so-called Edwards Base Housing Project, a government corporation. This housing project now contains approximately 100 occupied housing units with 550 housing units planned for construction during 1951. Also planned for the self-contained community at Muroc are stores, churches, theaters, schools, and 270 additional housing units for the immediate future, and some possible several thousand units for the eventual future.

The United States Air Force witness testified that Edwards Air Force Base is considered to be a permanent base for Air Force research and testing purposes. He also testified that the government was prohibited from furnishing public telephone service to the housing project or to any other parties outside the government base. For that reason, he stated he was authorized by the United States Government to support the application herein.

At the present time, applicant is providing telephone service to the Base from its Mojave central office over a line originally installed in 1941 and augmented in 1945 through an arrangement, originally with the United States Army and upon unification of the military forces, with the United States Air Force. The point of connection with the United States Air Force facilities is about

11 miles east of Mojave on Highway No. 466 and is about 14 miles northwest of Edwards Air Force Base. Circuits also are provided which terminate on the Air Force PBX for the provision of public coin-box services. In addition, certain miscellaneous and supplemental equipment is also provided on the Base, such as private lines, teletypewriter equipment, and special key arrangements.

Applicant's witness testified that applicant proposed to provide one- and two-party business service and one-, two-, and four-party residence service at base rates within the base rate area. In the suburban area, one- and two-party business service and one-, two-, and four-party residence service, at base rates plus mileage charges, and suburban business and residence service will be offered. No mileage charges will be made for service to the United States Air Force Base, however. Such service will be furnished in accordance with a contract between applicant and the United States Air Force. Connection for this service will be made at a point just outside the proposed base rate area.

The proposed rates for business service are \$5.75 per month for an individual line, \$4.75 for a two-party line, \$8.50 for each PBX commercial or hotel trunk, and \$4.25 per month for a suburban 10-party line. The proposed residence service rates are \$3.75 per month for an individual line, \$3.25 per month for a two-party line, \$2.75 per month for a four-party line, and \$3.25 per month for a suburban 10-party line. The proposed mileage rates are 50 cents per month for each one-fourth mile or fraction thereof of individual line primary station, PBX trunks, and battery and power supply circuits; 35 cents for each one-fourth mile of two-party line flat rate primary station; and 25 cents per month for each one-fourth mile,

or fraction thereof, of four-party line primary station. The proposed rates also include a rate for semipublic coin-box individual line of 75 cents per month plus a minimum charge of 19 cents per day. The proposed exchange rates are the same as those presently in effect in comparable Pacific Company exchanges in California serving between 501 and 4,000 company stations and are similar to Pacific exchange rates at Wasco, Shafter, and Delano, Kern County, California. It is proposed to establish a new message toll rate center and a new message telegram rate center in the proposed Muroc exchange, which would be utilized in determining the rates applicable to message toll telephone and telegram services in conformity with Pacific schedules presently on file with the Commission.

Exhibit No. 3, filed at the hearing, is a comparison of certain initial period station toll rates from the present Mojave exchange and the proposed Muroc exchange and shows variations from a decrease of 5 cents, in certain instances, to an increase of 20 cents, in others. Exhibit No. 4, filed at the hearing, is a comparison of certain full rate message telegram rates from the present Mojave exchange and the proposed Muroc exchange and shows no variations, except one of 18 cents for San Luis Obispo, for the California cities listed therein.

The proposed rates appear to be reasonable and will be authorized in the order herein.

No earnings estimate was submitted at the hearing. Applicant's witness stated that due to the fact that this would be a new community with unknown calling and telephone use habits, preparation of such a statement was not possible. This witness testified that applicant intends to spend approximately \$750,000 on the proposed

installation of facilities; that the necessary equipment would be available for completion of the installation within eight months; that customer billing would be effected in its Fresno, California, offices; that service and maintenance crews would be located at Mojave; that a manual common battery central office exchange would be established, manned by a chief operator plus other necessary operators to render 24-hour exchange and toll service; that listings would be contained in applicant's Kern County directory alphabetically under the Muroc exchange; that classified listings would be listed in the Kern County classified directory in the same manner as those for other of applicant's exchanges in Kern County; that the next issue of the regular Kern County directory would be published as of June 1, 1951; and that if the establishment of the Muroc exchange does not coincide with the issuance of the regular Kern County directory, a special directory listing the Muroc subscribers alphabetically would be published.

The Commission is of the opinion that applicant's request to publish, file, and place in effect for Muroc the rates as applied for, is reasonable; and that the establishment of the proposed Muroc exchange area and the proposed Muroc base area within the present Mojave exchange area will result in an improved telephone service in the area; and accordingly, the application will be granted.

Inasmuch as the Commission, in Decision No. 43046 dated June 28, 1949, in Application No. 30249, authorized the establishment of a telephone exchange at Bron, Kern County, California, by Interstate Telegraph Company, such exchange area boundary being immediately contiguous on the northeast and east to applicant's present Mojave exchange area boundary and proposed Muroc exchange

area boundary, applicant should in nowise furnish service outside its proposed Muroc exchange area boundary either to the northeast or to the east, without application to the Commission for permission to furnish such service.

O R D E R

The above-entitled application having been filed, a public hearing having been held, and the matter having been submitted for decision,

IT IS HEREBY FOUND AS A FACT that the increases in rates and charges which would result from a granting of the application are justified and that public convenience and necessity require the establishment of a telephone and telegraph exchange at Muroc, Kern County, California; therefore,

IT IS HEREBY ORDERED as follows:

1. The Pacific Telephone and Telegraph Company is authorized to file on or before January 1, 1951, in accordance with General Order No. 96, and make effective in the Muroc exchange coincident with the establishment of the exchange, and on not less than fifteen (15) days' notice, the maps of the base rate and exchange areas, as set forth in Exhibit "A" attached to the application and as filed at the hearing as Exhibit No. 1, and the base rate tariff sheet, as set forth in Exhibit "B" attached to the application and as filed at the hearing as Exhibit No. 2.
2. The Pacific Telephone and Telegraph Company will file progress reports every ninety (90) days, up to and including ninety (90) days after the establishment of the Muroc exchange, commencing with one to be filed March 31, 1951, which will include the number of connected company stations, the status of central office equipment installation, the

number of held orders, a detailed estimate of the time required to effect establishment of the Muroc exchange, and a statement of the circumstances prevailing therein.

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

Dated at San Francisco, California, this 12th day of December, 1950.

R. Z. Indurain
Justin J. Coenen
James H. Sance
Harold A. Kula
Wesley P. Potter
Commissioners.