

Decision No. 45859**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the)
 Red Hill Telephone Company, a corporation,)
 for authority to discontinue telephone)
 operations and to withdraw from the tele-)
 phone utility business.)

Application No. 32448

O P I N I O N

In this proceeding the Red Hill Telephone Company requests that it be relieved of its public utility obligation at the time The Pacific Telephone and Telegraph Company makes Petaluma exchange service available to its subscribers.

The applicant is a public utility engaged in providing telephone service in territory to the south and west of the city of Petaluma. The area in which applicant serves consists of approximately 20 square miles of farming land located entirely within the suburban area of the Petaluma exchange of The Pacific Telephone and Telegraph Company, as shown on the map attached to the application as Exhibit "A." The applicant serves 29 subscribers within this area, and switching service rendered said subscribers is furnished from the Petaluma central office of The Pacific Telephone and Telegraph Company.

The Pacific Telephone and Telegraph Company has informed applicant that it is preparing to convert its Petaluma exchange from manual to dial operation, and this conversion is scheduled for completion during October, 1951. The applicant states that it is not financially able to rehabilitate its facilities to operate on a dial basis, nor to meet future service demands. The Pacific Telephone and Telegraph Company, by letter attached to the application

as Exhibit "B", states that it will undertake to provide telephone service in the area served by applicant under its filed tariffs applicable within its Petaluma exchange, if applicant is granted authority to discontinue service. The Pacific Company plans to furnish Petaluma exchange service to applicant's subscribers coincident with the introduction of dial service in the Petaluma exchange.

The Red Hill Telephone Company furnishes party line residence service at \$31.20 per year per station, which averages \$2.60 per month, and party line business service at \$39.00 per year per station, which amounts to \$3.25 per month.

The principal basic rates applicable for Pacific Company service in the Petaluma exchange are as follows:

<u>Residence Flat Rate</u>	<u>Rate Per Month</u>
Individual	\$4.00
Two-party	3.25
Four-party	2.75
Suburban	3.25
Farmer Line	.85
Extension Station	1.00
<u>Business Flat Rate</u>	
Individual	6.50
Two-party	5.25
Semipublic Coin Box	-.75
	plus .20 per day
Suburban	4.50
Farmer Line	1.50
Extension Station	1.25

No increase in message toll telephone or telegraph rates to applicant's subscribers would result from the proposed change in serving arrangements.

1/ The Red Hill Telephone Company installs, owns and maintains at its expense the necessary "backbone" wire facilities extending from the Petaluma city limits. The subscriber installs, owns and maintains at his expense the necessary facilities from the Red Hill Telephone Company's line to subscriber's instrument. The complete telephone instrument and battery is owned and maintained by the subscriber.

The granting of applicant's request would enable the offering to applicant's subscribers of a wider classification of telephone service, eliminate the divided responsibilities now existing in the provision of telephone service, and enable the provision of dial service to applicant's present subscribers.

It appears that the discontinuance of telephone utility operations and withdrawal of applicant from the telephone utility business would be in the public interest.

It appearing that a public hearing is not necessary herein and that the application should be granted,

IT IS HEREBY ORDERED that Red Hill Telephone Company may, on or after the effective date hereof, and on or before December 31, 1951, discontinue telephone operations and withdraw from the telephone utility business, coincident with The Pacific Telephone and Telegraph Company's making available Petaluma exchange service to applicant's subscribers.

IT IS HEREBY FURTHER ORDERED that applicant shall file in quadruplicate with this Commission after the effective date of this order and not less than five (5) days prior to the discontinuance of service, in conformity with General Order No. 96, an advice letter canceling its filed rates, rules, and regulations.

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

Dated at San Francisco, California, this 26th day of June, 1951.

R. F. [Signature]
Justice J. [Signature]
Harold [Signature]
[Signature]
[Signature]
Commissioners.