

ORIGINAL

Decision No. 47377

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

KLAMATH CHAMBER OF COMMERCE,)

Complainant.)

vs.)

Case No. 5378

WEST COAST TELEPHONE COMPANY,)
the RECORD OWNERS, OPERATORS)
and OFFICERS THEREOF,)

Public Utility.)

Appearance for complainant: Klamath Chamber
of Commerce, by W. G. Mee.

Appearance for defendant: West Coast Telephone
Company of California, by Claude N. Rosenberg.

Interested party: California Farm Bureau
Federation, by J. J. Deuel.

Other appearances: W. W. Dunlop and
H. F. Wiggins, for the Commission staff.

O P I N I O N

This complaint was filed by Klamath Chamber of Commerce on May 16, 1952 for the asserted purpose of having a public hearing held at Klamath, Del Norte County to receive evidence regarding telephone service defects, to require the utility to remedy the defects of inadequate facilities, delays in completing toll calls, faulty transmission, interruptions to service and failure to provide improved service consistent with past promises made by the management of the utility. The complainant also asks the Commission to deny any increase in rates for services of any description, inasmuch as service deficiencies have resulted in damage to business relations and considerable monetary loss to the subscribers.

Public Hearing

After due notice to the defendant the matter was promptly set for public hearing and heard on May 27, 1952 at Klamath, before Examiner M. W. Edwards. At the hearing testimony was presented by seven witnesses for the complainant in support of the allegations contained in the formal complaint. The defendant entered a general denial of the complaint at the outset of the hearing and later introduced testimony through one witness to show its program of improvements, part of which had been recently completed. At the conclusion of the hearing on May 27, 1952, the matter was submitted for decision.

Complainant's Case

Several witnesses testified to delays as long as six hours in completing toll calls. Such delays experienced by a lumber mill were set forth in Exhibits Nos. 1, 2, and 3. An average delay of 35 minutes per call was shown.

Another witness testified to improper ringing and failure by the utility to correct this defect in over one month after notification to the company of the trouble.

Several witnesses complained of faulty transmission over the toll lines to points within and out of the state. They also testified of the existence of cross talk.

A representative of the Del Norte County Farm Bureau told of delays of five to six minutes in obtaining an operator and that, although he had applied for service three years ago, he had not been able to obtain a telephone at his dairy farm.

Two witnesses testified regarding frequent failure to obtain dial tone and consequent inability to complete local calls. One witness stressed the need for more dependable local service in order to report fires more promptly and to complete emergency calls

for ambulances and tow cars involving public health and safety. The inability to complete both local and toll calls promptly was mentioned by several witnesses as reason for loss of business to local merchants.

Defendant's Case

Defendant's witness listed the following recent system changes which should result in improved service to Klamath telephone users:

1. A new office building at Crescent City which permitted the addition of two more switchboard positions and enlarged operator force.
2. The addition of seven new toll circuits from Crescent City to Eureka.
3. The addition of five new toll circuits from Crescent City to Coos Bay, Oregon.
4. Twenty additional central office line equipments for adding more local stations in Klamath.

In addition to the above improvements, the company has programmed for June, 1952 the addition of one more toll circuit between Klamath and Crescent City. The company does not provide a local operator in Klamath. Since the installations of dial service in 1950, the operator functions are performed for Klamath subscribers by the operators at Crescent City.

The utility has been faced with a rapid growth of population in the area and a consequent heavy demand for new and additional telephone facilities. Population of Del Norte County has grown from 4,745 in 1940 to an estimated 13,500 in 1952. The number of company stations in Klamath has increased from 27 at the end of 1947 to 105 at the end of April 1952, and at the same time the number of stations on the entire system has grown from 723 to 1,478. Over the period from December 31, 1947 to December 31, 1951 the plant investment grew from \$185,805 to \$452,386, and net

additions for 1952 are estimated at \$275,540. There are now 54 unfilled applications for new service in the Klamath exchange.

The company's witness testified that recently he had discussed the telephone needs of the local fire department with the fire chief and was told that satisfactory telephone service is now being provided. He also stated that with the addition of the new carrier toll channels cross talk has been eliminated except for one circuit and this condition is currently being investigated by the utility's engineers for needed corrections. This witness admitted that in the past service was not adequate and that service deficiencies existed but that with the added toll equipment transmission to distant points has improved to a standard level.

The company is mindful of its public utility responsibilities but there are acute financial and economic problems involved in providing a dependable telephone service in a mountainous and wooded area which is experiencing a substantial growth. During storms outages frequently occur in the area because of falling trees, wind and snow occasionally break the wires, and at the present development of the area there are economic limits to the employment and stationing of maintenance personnel to avoid protracted interruptions to service. An alternate toll line route to Crescent City or underground cables would require such a large additional capital investment as to require rate levels considerably in excess of those presently in effect.

The complainant desires an improved and dependable telephone service in the area but is not willing to pay any increase in rates to obtain such improvements.

Conclusion

After reviewing the evidence presented in this case, it is our conclusion that telephone service has been somewhat deficient in

Klamath during the past year or two. The improvements made and programmed by the defendant should result in an improved grade of service. We recognize the difficulties inherent in providing telephone service in this area at rates within reasonable levels. A metropolitan grade of service would require prohibitive rates, in our opinion.

The utility's planning and programming of new construction must bear some reasonable economic relationship to the growth of the area, but it is apparent that, in the past, the utility has not planned sufficiently in advance to handle the growing telephone requirements of the area. The utility will be ordered to submit a program of development for the Klamath area looking two or more years to the future. The utility's development program should be made after consultation with the Klamath Chamber of Commerce. In case the program of the company does not appear to meet the reasonable needs of the area, the Klamath Chamber of Commerce may petition for a reopening of this proceeding.

O R D E R

Complaint as above-entitled having been filed with this Commission, a public hearing having been held thereon, the matter having been submitted and now being ready for decision,

IT IS HEREBY ORDERED that the West Coast Telephone Company of California shall prepare a program of development for the Klamath area to cover a period of at least two years in the future and file

the same with the Commission on or before October 1, 1952 and at the same time furnish a copy thereof to the Klamath Chamber of Commerce.

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

Dated at San Francisco, California, this 30th day of June, 1952.

R. J. [Signature]
President

Harold P. Hull

Kenneth [Signature]
[Signature]

Commissioners.

Commissioner Justin E. Craemer being necessarily absent, did not participate in the disposition of this proceeding.