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Decision No. 47380

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of associated Telephone Company, Ltd., a corporation, for authority to increase certain rates and charges applicable to telephone service.

Application No. 33047 (First Supplemental)

OPINION AND ORDER ON FIRST SUPPLEMENTAL APPLICATION

In the Commission's Decision No. 47121, dated May 5, 1952, in the above-entitled application, the applicant's request for an increase in local pay station calls from 5 cents to 10 cents was not authorized, but was left for final determination upon the filing of a supplemental application. On June 9, 1952 applicant filed this first supplemental application requesting that it be authorized upon ten days' notice, to increase the rate for each local pay station call from 5 cents to 10 cents and to accomplish conversion of pay stations by exchange areas.

Applicant has obtained commitments from manufacturers for delivery of the equipment necessary to convert all pay stations, which conversions it avers will be completed by September 26, 1952 on the basis of the following proposed schedule:

| Exchange | Conversion Date July 3, 1952 | | |
|---|------------------------------|--|--|
| Lake Hughes Lancaster Malibu Redondo | | | |
| Santa Monica West Los Angeles Whittier | 17 17 17 | | |
| Huntington Beach Laguna Beach Long Beach | August 8, 1952 | | |
| Westminster Covina | Mugust 22, 1952 | | |
| Downey Arrowhead Crestline | September 5, 1952 | | |
| Etiwanda Ontario | 11 11 | | |

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| Exchange (Cont'd) | | | Conversion Date | | |
|------------------------------|-----|--------|------------------------------------|----------|--|
| Pomona San Bernardino | *** | k P | September " | 5, 1952 | |
| Carpinteria Guadalupe | , | • | September | 19, 1952 | |
| Lompoc Los Alamos | | | 17 [.] 17 [.] | | |
| Oxnard | | ,, | 17 | | |
| Santa Barbara Santa Maria | | | 17 17 | | |
| Santa Paula | | | 11 | | |
| Santa Ynez Thousand Oaks | | • | 17 11 | | |
| Fowler Lindsay | | | September | 26, 1952 | |
| Reedley | | •• | 11 | | |

An identical increase in local pay station rates has been authorized by this Commission in territories immediately adjacent to virtually all of the applicant's service territory.

The increase in revenue from this change in pay station rates is estimated at \$522,688 for the level of business during the 12 months ended June 30, 1952. Based on our findings in Decision No. 47121 it is apparent that this increase will not in the future bring applicant's rate of return above a level of 6.1% which level of return we have heretofore found to be fair and reasonable. We conclude that applicant's request is justified and that the increase in coin box rates should be authorized.

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; therefore,

IT IS HEREBY FOUND AS A FACT that the increases in rates and charges authorized herein are justified and that present rates, insofar as they differ from those prescribed for the future, are unjust and unreasonable; therefore,

IT IS HEREBY CRDERED that:

Applicant is authorized to file in quadruplicate with this Commission after the effective date of this order in conformity with the Commission's General Order No. 96, revised tariffs to effectuate an increase in rate from five (5) cents to ten (10) cents for each local pay station call

placed from public and semipublic services, and after not less than ten (10) days' notice to the Commission and the public, to make said rates effective for service rendered on and after August 8, 1952, or on such subsequent dates as pay station equipment may be converted to enable such change to be effected.

2. Applicant shall revise its proposed conversion dates to conform to the ten (10) day notice requirement specified by Paragraph 1 of this order and file a revised conversion schedule with the Commission at least ten (10) days prior to first conversion.

The effective date of this order shall be twenty (20) days

after the date hereof.

Dated at Southeaurison, California, this 30th day

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Commissioners.

President