

ORIGINAL

Decision No. 47466

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Robert H. Edgar, operating as DORRIS)
TELEPHONE COMPANY, for an order authoriz-)
ing increases and changes in rates and)
charges for exchange telephone and other) Application No. 33442
services, and revising the boundaries of)
the Dorris Telephone Company, and estab-)
lishment of a new exchange at Macdoel,)
California.)

INTERIM OPINION AND ORDER

Robert H. Edgar, operating as Dorris Telephone Company, by the above-entitled application filed on May 26, 1952, seeks authority, among other things, to establish a new exchange at Macdoel, Siskiyou County, California. Applicant now owns and operates a telephone system furnishing exchange telephone service and toll telephone service through connection with the lines of The Pacific Telephone and Telegraph Company in the incorporated town of Dorris, Siskiyou County, and surrounding territory. As of March 1, 1952, applicant served 243 telephone stations in the Dorris exchange. Revenues of the applicant for the year 1951 were reported in the amount of \$12,823.47. The applicant's investment in telephone plant at the end of 1951 amounted to \$19,044.45, and the depreciation reserve was stated at \$2,457.45.

Applicant proposes to establish an unattended dial exchange at Macdoel, which is located outside of any existing exchange area approximately 11 miles southwest of Dorris.

Exhibit F of the application shows the proposed boundaries of the Macdoel exchange and their relation to the Dorris exchange boundaries. The proposed base rate area of the Macdoel exchange is set forth on a map attached to the application as Exhibit G.

At the present time the Macdoel area is being served by seven toll stations of The Pacific Telephone and Telegraph Company, four located at Macdoel and three at Mt. Hebron, which is some 3 miles south of Macdoel. Applicant has reported that the Pacific Company has indicated its willingness to discontinue the toll stations upon the establishment of exchange service by the applicant and will provide three toll circuits between Dorris and Macdoel.

The application reveals that most of the needed equipment to establish the Macdoel exchange is on hand and that the exchange could be established about six months after Commission authorization is granted. However, due to the sparsely settled area around Macdoel, the applicant will be unable to offer extensively suburban service at this time. It appears that a nonprofit corporation will undertake the building of farmer lines within the suburban area, connecting with facilities of the applicant at the proposed Macdoel base rate area.

The applicant estimates the Macdoel exchange will serve an average of 56 telephone stations the first year of its operation. Annual revenues are estimated at \$2,565, annual operating expenses at \$2,316, with net revenues at \$249. A total investment in plant of \$7,000 is estimated at the end of the first year of operation, segregated as follows:

	<u>Amount</u>
Central Office Equipment	33,250
Station Equipment	1,000
Station Wiring	250
Poles, Conduit, Cable and Wire	2,500
	<u>7,000</u>

Principal rates for exchange service proposed by the applicant for the Macdoel exchange are set forth in Exhibit E of the application as follows:

	<u>Estimated No. of Services</u>	<u>Company Proposed Rate per Month</u>
Residence		
1-party	2	\$ 4.25
4-party	12	3.25
10-party	3	3.25
Farmer Line	28	1.00
Business		
1-party	5	6.00
4-party	1	4.25
10-party	1	4.25
Farmer Line	2	1.50
Semipublic Pay Station	2	6.00
	<u>56</u>	

In order that exchange telephone service may be made available in the Macdoel area as soon as practicable, the Commission at this time will authorize the applicant to proceed with the establishment of the Macdoel exchange. However, the level of exchange rates at Macdoel and the other requests contained in this application will be held open for further determination by the Commission.

The Commission having considered the request of the applicant to establish an exchange at Macdoel and being of the opinion that this request should be authorized as herein provided, and that a public hearing is not necessary; therefore,

IT IS HEREBY ORDERED that:

1. Applicant is authorized to establish an exchange at Macdoel after the effective date of this order and on or before March 31, 1953, the exchange and base rate area boundaries to be substantially as shown in Exhibits F and G attached to the application.

2. The level of exchange rates at Macdoel and the other requests contained in this application are held open for further determination by the Commission.

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

Dated at San Francisco, California, this 15th day of July, 1952.

A. J. [Signature]
President.

[Signature]

[Signature]

Commissioners.