

**ORIGINAL**

Decision No. 48119

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
the Suisun and Green Valley Telephone )  
Company for authority to sell certain )  
telephone facilities to The Pacific )  
Telephone and Telegraph Company and )  
for authority to withdraw from public )  
service as a telephone utility. )

Application No. 33903

OPINION AND ORDER

In this application, the Suisun & Green Valley Telephone Company, hereinafter sometimes referred to as Suisun Company, seeks authority to sell a system of telephone lines and facilities located in areas of Solano County, within and contiguous to the city of Fairfield, to The Pacific Telephone and Telegraph Company for \$30,000 payable in accordance with the terms of the agreement of sale attached to the application as Exhibit C. The Pacific Company seeks authority to purchase the telephone lines and facilities of the Suisun Company and to furnish Suisun exchange service in the territory now served by the seller.

The Suisun Company is a public utility engaged in providing telephone service to approximately 490 telephone stations in territory in Solano County to the west of and partly within the city of Fairfield, all within the suburban area of Pacific Company's Suisun exchange. The Pacific Company now furnishes switching service to all subscribers of the Suisun Company. The Suisun Company owns and maintains the instruments and lines serving its subscribers

from the locations of such subscribers to the point of connection with facilities of the Pacific Company at or in the vicinity of the Suisun exchange base rate area.

The application states that the influx of population into the area served by the Suisun Company, particularly in sections within and contiguous to the city of Fairfield, has changed to a considerable degree the characteristics of the seller's system from a rural to an urban operation. Suisun Company does not desire to assume the responsibility of meeting future demands for urban service and, for this reason, has decided to dispose of its telephone properties.

The Pacific Company has appraised the Suisun Company's property at \$34,500 as of November 1, 1951, at current cost and in the condition as found at that date. The agreed upon purchase price is \$30,000.

Upon assumption of the responsibility to provide telephone service in the area now served by the Suisun Company, the Pacific Company proposes to furnish service at its effective Suisun exchange rates<sup>1/</sup> to expand the Suisun base rate area including therein the

<sup>1/</sup> A comparison of the rates of the Suisun Company and of the Pacific Company for the principal classes of service is as follows:

<u>Residence</u>	<u>Suisun Company*</u>	<u>Pacific Company</u>	<u>Increase</u>
1-Party	\$4.20	\$4.05	\$(0.15)
2-Party	3.48	3.50	.02
4-Party	2.90	2.95	.05
Suburban	3.07	3.45	.38
Extensions	1.25	1.00	(.25)
<u>Business</u>			
1-Party	6.20	6.50	.30
2-Party	4.98#	5.25	.27
Suburban	4.50	4.75	.25
Extensions	1.25	1.50	.25
		(Decrease)	

\* Rates shown include the Pacific Company's switching rate.

# The Suisun & Green Valley Telephone Company has been charging its customers \$4.98. However, the filed rate is \$5.20.

territory now within the base rate area of the Suisun Company, and to undertake outside plant construction and reconstruction under an orderly program to furnish Suisun exchange service to present and prospective subscribers.

It appears that subscribers of the Suisun Company to suburban service, by and large, are stockholders who have agreed to sell their telephone system to the Pacific Company. No change in toll rates would result under the plan.

The proposed sale would result in a wider range of service classifications being offered to present subscribers of Suisun Company and eliminate the divided responsibility for furnishing telephone service that has existed for many years.

Based upon a review of this application, the Commission is of the opinion that a public hearing thereon is not necessary, that the transfer will not be adverse to the public interest, and that the application should be granted as herein provided,

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

IT IS HEREBY ORDERED as follows:

1. Suisun & Green Valley Telephone Company, after the effective date hereof and on or before March 31, 1953, may sell and transfer its telephone facilities, described in Exhibit B on file with this application, to The Pacific Telephone and Telegraph Company. Upon the acquisition of said telephone lines and facilities and the furnishing of telephone service by The Pacific Telephone and Telegraph Company to the territory now served by the seller, Suisun & Green Valley Telephone Company is relieved of its public utility obligation to furnish telephone service and may cancel its rates, rules and regulations.

- 2. The Pacific Telephone and Telegraph Company, if it acquires the telephone facilities referred to herein, shall apply its filed tariff rates, rules and regulations applicable within the Suisun exchange to the territory now served by the seller. Necessary tariff schedule revisions in accordance with General Order No. 96, shall be made after the effective date hereof and on not less than ten (10) days' notice to the Commission and to the public.
- 3. On or before the date of actual transfer, the seller shall refund all deposits which customers are entitled to have refunded. Any unrefunded deposits shall be transferred to and become the obligation of the buyer.
- 4. The action taken herein shall not be construed to be a finding of the value of the telephone facilities herein authorized to be transferred.

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

Dated at San Francisco, California, this 6<sup>th</sup> day of January, 1953.

[Signature]  
President.

[Signature]

[Signature]

[Signature]  
Commissioners.