

ORIGINAL

Decision No. 48399

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of INTERSTATE TELEGRAPH COMPANY,)
a corporation, for authority to)
establish, maintain and operate a)
telephone exchange at Newberry,)
San Bernardino County, California,)
and provide telephone exchange)
service in the Newberry Exchange)
Area; and to file and make effective)
rates for telephone and telegraph)
service in said Exchange Area.)

Application No. 34121

OPINION AND ORDER

By the above-entitled application, filed on February 25, 1953, Interstate Telegraph Company seeks authority to establish, maintain and operate a telephone exchange at Newberry, San Bernardino County, California, and requests authority to file and make effective rates for exchange service and message toll telephone service. Applicant also requests authority to transfer approximately 32 square miles of territory located within the Barstow exchange to the proposed Newberry exchange. No telephone service currently is being furnished in the area proposed to be transferred.

The community of Newberry is situated in the vicinity of U. S. Highway No. 66, approximately 25 miles east of Barstow. Maps filed as Exhibits B and C of the application show the proposed boundaries of the Newberry exchange and base rate area. Approximately 117 potential subscribers are located within the proposed Newberry exchange area. The only telephone service being furnished in such area at the present time is provided by The Pacific Telephone and Telegraph Company by means of three toll stations situated in unassigned territory. The Pacific Telephone and Telegraph Company

and California Water & Telephone Company, by letters set forth in Exhibit E of the application, have indicated their agreement with the proposed establishment of the Newberry exchange.

The applicant proposes to furnish telephone service by means of a 40-line unattended dial automatic switchboard to be installed in a central office building to be constructed on a parcel of land to be acquired in the Southwest quarter of Section 34, Township 9 North, Range 3 East of San Bernardino Base and Meridian. Such central office location is proposed as the toll rate point for the proposed Newberry exchange. Dial assistance and toll operating functions are to be performed by applicant's Barstow central office. The applicant proposes to finance the proposed construction of Newberry facilities out of its treasury and estimates a net capital investment of \$61,775 to provide the facilities. A breakdown of proposed expenditures follows:

Land and buildings	\$ 5,500
Central office equipment	16,600
Outside toll and exchange plant	62,480
Station equipment and installation	7,020
Subtotal	<u>91,600</u>
Less:	
Estimated line extension charges	29,825
Net capital investment	<u>61,775</u>

Rates proposed by applicant for flat rate exchange service are the rates presently filed in its tariffs for single office exchanges other than Barstow, Big Bear Lake, Bishop and Trona. The principal exchange rates proposed may be summarized as follows:

	Each Primary Station Monthly Rate	
	<u>Residence Service</u>	<u>Business Service</u>
Individual line service	\$4.40	\$6.75
Two-party service	3.80	5.60
Four-party service	2.95	4.70
Suburban service: 0-4 $\frac{1}{2}$ miles	2.95	4.70
4 $\frac{1}{2}$ -14 $\frac{1}{2}$ miles	3.80	5.30
14 $\frac{1}{2}$ -24 $\frac{1}{2}$ miles	4.40	5.85

In the letter agreement between the applicant and the Pacific Company, shown as Exhibit E attached to the application, both utilities have indicated their agreement to the continuation of Pacific Company toll station service to the Newberry toll stations and applicant has indicated its agreement to provide Newberry exchange service at the option of the agents or operators of the toll stations. Applicant's regularly filed toll service charges are proposed to be applied to all intrastate messages originating or terminating at stations connected to the proposed Newberry exchange.

The application shows that the matter of providing exchange telephone service in the Newberry area has been the subject of correspondence and meetings with the public in the Newberry community, extending over the period 1948 to the present. A representative of the California Farm Bureau Federation brought the matter before the Commission at hearings in Application No. 31247 in 1950 and in Application No. 33229 in 1952. The fifth ordering paragraph of Decision No. 48230 in Application No. 33229 required Interstate Telegraph Company to proceed with due diligence in making the necessary engineering studies and filing of an application with the Commission for establishment of an exchange at Newberry.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary and that the granting of the application as herein provided will not be adverse to the public interest and should result in improved service; therefore,

IT IS HEREBY ORDERED as follows:

1. Applicant is authorized to file with the Commission, after the effective date of this order and on or before December 31, 1953, in accordance with General Order No. 96, the maps of the exchange and base rate areas of the Newberry

exchange as set forth in Exhibits B and C, revision of the exchange boundary of the Barstow exchange as set forth in Exhibit D, revision of the preliminary statement as set forth in Exhibit G and the rates, charges and rules applicable to single office exchanges other than Barstow, Big Bear Lake, Bishop and Trona, and, after not less than ten days' notice to the Commission and to the public, to make tariffs effective for service in the Newberry exchange, coincident with the establishment of the dial exchange. ✓

2. Applicant shall submit bimonthly reports of progress with respect to the construction of Newberry exchange facilities commencing two months after the effective date of this order and continuing until the Newberry exchange is established, such reports to be furnished this Commission and the California Farm Bureau Federation.

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

Dated at San Francisco California, this 24th day of March, 1953.

[Signature]
President
Justin F. Caldwell
[Signature]
[Signature]
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Commissioners