

**ORIGINAL**Decision No. AS544

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 THE PACIFIC TELEPHONE AND TELEGRAPH  
 COMPANY, a corporation, for authority  
 to file and place into effect a  
 schedule of rates for extended service  
 in the Arcata and Blue Lake Exchanges,  
 Humboldt County, California and to  
 cancel and withdraw rates now on file  
 for local exchange service in these  
 two exchanges.

Application No. 34224

OPINION AND ORDER

In this proceeding The Pacific Telephone and Telegraph Company, hereinafter referred to as applicant, requests authority: (1) to establish extended service in the Blue Lake and Arcata exchanges and to publish, file, and place in effect for Arcata and Blue Lake exchanges, exchange rates for said extended service as provided in Exhibit B attached to the application; (2) to withdraw and cancel present rates for exchange service now in effect in the Blue Lake and Arcata exchanges; (3) to cancel and withdraw the message toll telephone rate now applicable between Arcata and Blue Lake; and for such other and further relief as may be necessary in the premises. Applicant requests authority to introduce extended service in these exchanges on or before June 30, 1954 and coincident with the conversion of Blue Lake exchange to dial operation.

Arcata is located in Humboldt County. Applicant provides service in this exchange by means of common battery manual central office equipment. As of December 31, 1952 there were 3,044 company stations being served in Arcata. Applicant serves Blue Lake, also in Humboldt County, by means of magneto central office equipment and as of December 31, 1952 this exchange served 265 stations.

The Arcata and Blue Lake exchanges are operated on a continuous hours-of-service basis and are contiguous to one another. Applicant states that growth being experienced in the community of Blue Lake necessitates expansion of the central office facilities and applicant plans to meet the requirements for telephone service in this exchange by replacing, during 1954, the present magneto equipment with dial equipment of greater capacity.

Applicant's toll schedules indicate normal toll rates for messages between Arcata and Blue Lake but also carry the notation "unlimited service for subscribers' stations". Applicant states that this toll rate treatment has been in existence since about 1903 and the unlimited service is furnished over a single circuit between the two exchanges, to traffic which originates at subscribers' stations. When this circuit is used messages are handled at no toll charge. The provision of extended service between Arcata and Blue Lake would eliminate this serving arrangement which applicant states is the only one of its kind in California.

Applicant states that there is a high degree of community of interest between Arcata and Blue Lake and estimates that approximately 3,700 messages per month are originated in Blue Lake destined for Arcata and approximately 2,900 messages per month originated in Arcata are destined for Blue Lake. About 2,400 of the 3,700, and 1,800 of the 2,900 messages between the two exchanges are completed over the special circuit without toll charge. Applicant proposes the provision of extended service in the Arcata and Blue Lake exchanges with complete withdrawal of present local service offerings in both exchanges coincident with the conversion of the Blue Lake exchange to dial operation. Under the extended service plan which applicant proposes, the toll rate now applicable between

Blue Lake and Arcata would be eliminated and all messages between the two exchanges would be toll free.

Exhibit B attached to the application indicates the rates proposed and the present rates now in effect for the principal classifications of service furnished in the Arcata and Blue Lake exchanges. The level of the extended service rates proposed by applicant corresponds to the present level of local exchange service rates in Arcata. The principal rates, both present and proposed, are as follows:

<u>Classification</u>	<u>Rate per Month</u>		
	<u>Present</u>		<u>Proposed</u>
	<u>Local Service</u>	<u>Local Service</u>	<u>Extended Service</u>
	<u>Arcata</u>	<u>Blue Lake</u>	<u>Arcata and Blue Lake</u>
<u>Residence</u>			
Individual	\$4.05	\$3.80	\$4.05
2-Party	3.50	3.25	3.50
4-Party	2.95	2.70	2.95
Suburban 10-Party	3.45	3.20	3.45
Farmer Line, per Sta.	.85	.75	.85
<u>Business</u>			
Individual	6.50	6.00	6.50
2-Party	5.25	4.75	5.25
Suburban 10-Party	4.75	4.50	4.75
Farmer Line, per Sta.	1.50	1.25	1.50

Applicant states that a canvass was made during March, 1953 of the present Blue Lake exchange subscribers to determine if the provision of extended service on the basis indicated would be agreeable to them and all of the present 209 subscribers signed service application cards requesting extended service at the rate levels proposed.

Applicant states that it believes the provision of extended service in the Blue Lake and Arcata exchanges in lieu of present local service will adequately meet the needs of telephone users in the two exchanges and will be in the public interest.

O R D E R

Applicant having applied to the Public Utilities Commission of the State of California for an order authorizing the establishment of extended service in the Arcata and Blue Lake exchanges, the Commission having considered this matter and being of the opinion that a public hearing is not necessary, and it appearing that the granting of the application as herein provided will not be adverse to the public interest and should result in improved service,

IT IS HEREBY FOUND AS A FACT that the increases in rates and charges authorized herein 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. Applicant is authorized to establish extended service in the Blue Lake and Arcata exchanges on or before June 30, 1954, coincident with the conversion of the Blue Lake exchange to dial operation.
2. Applicant is authorized to file and publish in accordance with General Order No. 96 the rates for extended service set forth in Exhibit "B" attached to the application and, after not less than five days' notice to this Commission and to the public, to make said rates effective coincident with the establishment of extended service in the Blue Lake and Arcata exchanges.
3. Applicant is authorized to withdraw and cancel present rates for exchange service in the Blue Lake and Arcata exchanges and the message toll telephone rates now applicable between Arcata and Blue Lake,

coincident with the establishment of extended service in the two exchanges.

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

Dated at San Francisco, California, this 28<sup>th</sup> day of April, 1953.

*R. J. [Signature]*  
President.  
*Harold P. [Signature]*  
*[Signature]*  
*[Signature]*  
Commissioners.