

ORIGINALDecision No. 48681

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
THE VOLCANO TELEPHONE COMPANY, a)	
corporation, for authority to publish,)	Application No. 34388
file and place in effect exchange and)	
interexchange rates at West Point,)	
Calaveras County, California.)	

OPINION AND ORDER

By the above-entitled application, filed on May 26, 1953, The Volcano Telephone Company seeks authority to establish, operate and maintain a telephone exchange at West Point, Calaveras County, California, and requests authority to file and make effective rates for exchange and message toll telephone services.

The community of West Point is located in the north central part of Calaveras County and is currently served as part of applicant's Volcano exchange area. Maps filed as Exhibit E of the application indicate the proposed boundaries of the West Point exchange and base rate areas. It is estimated that 2,000 people live in and adjacent to this area.

Within the proposed West Point exchange area the applicant now furnishes service from its Volcano central office to approximately 180 telephone stations, 58 of which are located within the proposed base rate area. It appears from the application that there is a requirement for better grades of service in the town of West Point. In order to furnish an improved service the applicant proposes to install a 100-line community dial central office at West Point equipped for full selective ringing. Under this plan the Volcano central office would provide operator assistance as required.

Exchange service rates proposed for West Point are the same as those now in effect for the same type, class, and grade of service in the Volcano exchange as follows:

	Each Primary Station Monthly Rate	
	<u>Residence Service</u>	<u>Business Service</u>
Individual line	\$4.25	\$5.00
Two-party line	3.75	4.50
Four-party line	3.00	-
Suburban ten-party line	3.50	4.00

The application shows that out of a total of 58 subscribers located within the proposed base rate area whose exchange rates would be affected by a granting of the application, 57 have signed applications for the higher grades of service. Increases in exchange charges to these subscribers would aggregate approximately \$250 on an annual basis. No changes in exchange charges to suburban services would result under the proposed plan.

With respect to toll rates, the applicant proposes to apply its present basic toll schedule including terminal charge, and to establish a new toll rate center for the West Point exchange. The geographical designation of the proposed toll rate center is the Northwest quarter of the Southeast quarter of Section 3, Township 6 North, Range 13 East, Mount Diablo Base and Meridian. While the applicant proposes to continue to offer toll free calling between West Point and Volcano, the initial period toll rate over certain routes from West Point would be increased by 5 or 10 cents, and over other routes would be decreased by 5 or 10 cents coincident with the establishment of the West Point exchange.

The applicant estimates annual revenues resulting from the first year of operation of the West Point exchange to be \$19,200, compared with \$14,300 annual expenses exclusive of income taxes and return. The gross amount of construction is estimated

to be \$61,000. It appears that applicant's earning results will not be unduly affected by the establishment of this exchange and that applicant's plan when completed should provide an improved service in the West Point area and will not be adverse to the public interest.

The Volcano Telephone Company having applied to this Commission for an order authorizing it to establish an exchange at West Point and to file rates for exchange and message toll telephone services, the Commission being of the opinion that a public hearing thereon is not necessary, and that the application should be granted as herein provided,

IT IS HEREBY FOUND AS A FACT that the increases 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 that The Volcano Telephone Company is authorized to file in quadruplicate with this Commission, after the effective date of this order and on or before December 31, 1953 in conformity with General Order No. 96, the rates for message toll telephone and exchange services set forth in Exhibits C and F of the application as discussed above and maps of the exchange and base rate areas set forth in Exhibit E of the application, and, after not less than ten days' notice to the Commission and the

public to make such rates effective in the West Point exchange coincident with the establishment of the dial exchange.

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

Dated at Los Angeles, California, this 9th day of June, 1953.

R. Z. [Signature]
President
Justin F. Cassin
Harold H. Hule
Samuel P. Patten
John E. [Signature]
Commissioners