

ORIGINALDecision No. 51564

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 publish,)
 file and place in effect exchange and inter-) Application No. 36874
 exchange rates in an exchange to be desig-)
 nated Yosemite.)

OPINION AND ORDER

The Pacific Telephone and Telegraph Company, by the above-entitled application, filed on April 12, 1955, seeks authority to establish an exchange to be known as Yosemite, with the exchange and base rate area boundaries as shown in Exhibits B and C, respectively, filed herein and to establish exchange and toll rates for the Yosemite exchange.

It appears from the application that telephone service within the Yosemite National Park is now furnished by the National Park Service, by means of a 3-position multiple switchboard serving approximately 600 stations; that connection with applicant's toll facilities are made at a point near the park boundary; that the National Park Service requested applicant to give consideration to providing and maintaining telephone service in Yosemite National Park in lieu of that now furnished by the Park Service; that following applicant's study of the telephone service requirements in Yosemite and preparation of an inventory and appraisal of the Government telephone facilities, applicant made an offer to the Government to purchase said facilities and assume the responsibility for providing adequate telephone service in Yosemite Park for the use of the Park Service, its concessionaires, their employees and the general public; and that applicant's offer has been accepted by the Government.

Applicant and the Government entered into a contract¹ on February 23, 1955 relating to the furnishing by applicant of telephone service in Yosemite National Park. Under the terms of this contract the Park Service authorizes the applicant to engage in a general telephone business within Yosemite National Park for a period of 10 years and thereafter for an additional period of 10 years, provided, however, that during such additional period the contract may be terminated by either party on two years' written notice. The parties agree, among other things, that applicant will purchase the Government telephone facilities for \$24,000 plus cost of additions and replacements and less retirements made between September 24, 1952 and the in-service date; that applicant will pay the Government 15 per cent of the cash contents, excluding tax, of public coin stations at locations under direct operating control of the Park Service; and that no service connection, line extension, installation, or construction charge shall be applied to any service furnished by applicant within Yosemite National Park or to any control circuits furnished by applicant for sewer, water and fire alarm systems within said park generally at locations where, immediately prior to the in-service date, the Park Service is furnishing such service or circuits. Section 8 of said contract provides as follows:

"The rights and obligations of the parties hereto are expressly conditioned upon approval by the Public Utilities Commission of the State of California of a proposal satisfactory to the Park Service for the initial establishment by the Telephone Company of telephone service, rates and charges in said Park."

To meet the telephone requirements in the Yosemite area, applicant proposes to establish an exchange with dial central office equipment to serve an estimated 633 telephone stations during the first year of operation. It is proposed that the more developed

¹ Exhibit A attached to the application.

sections of Crane Flat, Wawona, Yosemite Valley and El Portal be included within the Yosemite exchange area and that toll station service be established at certain locations within the suburban area of the exchange and in the mountainous area beyond the exchange boundary..

The rates which applicant proposes for the principal classifications of exchange service are shown in Exhibit D of the application and may be summarized as follows:

	<u>Rate per Month</u>	
	<u>Business</u>	<u>Residence</u>
Individual line flat rate	\$6.50	\$4.05
Two-party line flat rate	5.25	3.50
Four-party line flat rate	-	2.95
Suburban ten-party line flat rate	4.75	3.45

With respect to toll rates, applicant proposes that the present toll rate center² for Yosemite National Park be the toll rate center for the Yosemite exchange and that applicant's message toll telephone tariffs on file with this Commission be applicable to message toll telephone traffic between this toll rate center and all other toll rate centers in Yosemite National Park and in the State of California.

Applicant estimates that the establishment of the proposed Yosemite exchange can be accomplished late in 1956 and that the entire project will require an expenditure of \$912,000,³ a substantial portion of which will be for toll facilities. In response to the Commission's letter of May 17, 1955, the applicant furnished as part of the record the estimated exchange plant, revenue and expense effects, using separation methods consistent with the Commission's finding in its Decision No. 50258, dated July 6, 1954. This information shows estimated local service revenues of \$30,400, estimated

² The block and section designation of the present toll rate center for Yosemite National Park is W 11-y.

³ Exhibit F attached to the application.

exchange expenses, excluding income taxes of \$23,300 and estimated exchange investment of \$205,400.

The Commission has considered this matter and is of the opinion that a public hearing thereon is not necessary, and that the granting of the requests of applicant will not be adverse to the public interest; therefore,

IT IS HEREBY ORDERED that applicant be and it is authorized to carry out the terms and conditions of the written contract, dated February 23, 1955, with the United States Government, and to establish the Yosemite exchange and telephone service.

IT IS HEREBY FURTHER ORDERED that applicant shall notify this Commission of the date of termination of said contract within thirty days from and after said date of termination.

IT IS HEREBY FURTHER ORDERED that applicant is authorized to file with this Commission after the effective date of this order and on or before June 30, 1957, in accordance with General Order No. 96, the rates, conditions, rules and regulations for exchange telephone service and message toll telephone service as set forth in Exhibit D attached to the application and as discussed above and maps of the exchange and base rate areas substantially as set forth on Exhibits B and C, respectively, attached to the application, and, after not less than ten days' notice to the Commission and to the public, to make such rates effective for telephone service in the Yosemite exchange, coincident with its establishment.

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

Dated at San Francisco, California, this 9th day of June, 1955.

[Signature]
President
[Signature]
[Signature]
Commissioners