

ORIGINALDecision No. 51904

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 author-)
 ity to publish, file and place in)
 effect exchange and interexchange)
 rates in an exchange to be designated)
 Feather Falls and to modify the)
 boundaries of its Oroville exchange)
 to exclude therefrom the area to be)
 included in the Feather Falls exchange.)

Application No. 37052
 (As Amended)

OPINION AND ORDER

The Pacific Telephone and Telegraph Company, by the above-entitled application, filed on June 21, 1955, and as amended on August 12, 1955, requests authority to establish an exchange in the easterly portion of Butte County to be known as Feather Falls, with exchange and base rate areas as shown in Exhibit F filed herein; to file and make effective exchange and toll rates for the Feather Falls exchange; to deviate from the provisions of Decision No. 41416 with respect to full selective ringing; to revise the boundary of applicant's Oroville exchange to exclude therefrom certain territory proposed to be included within the Feather Falls exchange; and to establish as deviations three foreign exchange farmer line stations.

It appears from the application as amended that the proposed Feather Falls exchange boundary encompasses approximately 65 square miles of territory, a portion of which is now included within applicant's Oroville exchange; that the proposed base rate area is centered approximately 18 air-line miles northeast of Oroville; that telephone service in the Feather Falls area presently

is provided by means of three telephone stations connected to a single farmer line which extends to Oroville and which is owned and maintained by The Feather River Pine Mills Company; and that use of this farmer line is restricted to official business of the lumber company, except for emergency calls. The application further shows that there are some 350 residences and 23 businesses located in the Feather Falls area, with a population estimated at 1,500; that 225 of the residences are housing units owned by the lumber company and rented to its employees; that the lumber company currently is planning to subdivide and sell to the public, for residential and business sites, an area of several thousand acres; that applicant has received petitions containing some 126 signatures of people requesting the provision of exchange telephone service in Feather Falls and in the area between Enterprise and Feather Falls; that applicant also has received many individual inquiries at its Oroville business office concerning telephone service in the Feather Falls area; and that applicant has received 69 signed service application cards for Feather Falls exchange service.

To meet the present and anticipated future requirements for telephone service in the Feather Falls area, applicant proposes to establish an exchange with dial central office equipment and, in conjunction therewith, construct adequate facilities to make Oroville exchange service available in the Enterprise area. Operator assistance for the Feather Falls exchange is proposed to be furnished from the Oroville central office. In establishing the Feather Falls exchange, applicant proposes to re-use certain dial equipment which has an ultimate capacity of about 200 lines and which is arranged for semiselective ringing on four-party lines

and divided code ringing on suburban lines. Accordingly, applicant requests authorization to deviate in this instance from the order in the Commission's Decision No. 41416, dated April 6, 1948, which requires the provision of full selective signalling arrangements on company-owned stations served from exchanges converted to dial or placed in service after January 1, 1949. In support of this request to deviate from the ringing requirements of Decision No. 41416, applicant alleges that there would be considerable delay in the establishment of the Feather Falls exchange if the dial equipment were to be modified for selective ringing; that the cost of such modification would approximate \$8,000; and that applicant has received no requests for residence four-party service and only six requests for suburban service in Feather Falls.

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

	<u>Rate per Month</u>	
	<u>Business</u>	<u>Residence</u>
Individual line flat rate	\$6.00	\$3.80
Two-party line flat rate	4.75	3.25
Four-party line flat rate	-	2.70
Suburban ten-party line flat rate	4.50	3.20

It appears from the application as amended that the lumber company, in addition to subscribing to Feather Falls private branch exchange service and one foreign exchange trunk to Oroville, will have a requirement for continuation of the present Oroville farmer line service after establishment of the proposed exchange. Accordingly, applicant proposes to continue the farmer line service on the basis that the line will have no connection with the private branch exchange switchboard, that the stations connected to the farmer line within the Oroville exchange will be charged the Oroville exchange farmer line rate, and those located

within the proposed Feather Falls exchange area will be charged foreign exchange farmer line rates. Under this plan applicant proposes to continue on a deviation basis three farmer line stations which will be located within the base rate area of the proposed exchange. Applicant alleges that the proposed basis of charges for the farmer line service has been agreed to by the general manager of the lumber company.

Upon establishment of the Feather Falls exchange, applicant proposes to establish a new toll rate center to be located in the southwest quarter of the northwest quarter of Section 13, Township 20, North, Range 6 East, Mount Diablo Base and Meridian.^{1/} The initial period day station toll rate between Feather Falls and Oroville, under this plan, would be 25 cents.

Applicant estimates that the establishment of the proposed Feather Falls exchange can be accomplished by December 31, 1956, and that the entire project will require an expenditure of \$153,000.^{2/} During the first year of operations of the Feather Falls exchange, applicant estimates revenues will approximate \$21,000 at the rates proposed and expenses, including charges on added plant, will approximate \$36,500.

The Commission has considered the above-entitled application and is of the opinion that a public hearing thereon 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,

^{1/} The block and section designation of the proposed toll rate center is S 10-q.

^{2/} Exhibit E attached to the application.

IT IS HEREBY FOUND AS A FACT that such increases in rates and charges as will result from the granting of this application are justified and that present rates in so far as they differ from those herein prescribed, upon the establishment of the Feather Falls exchange, are unjust and unreasonable; therefore,

IT IS HEREBY ORDERED as follows:

1. Applicant is authorized to file with this Commission, after the effective date of this order, and on or before December 31, 1956, in accordance with General Order No. 96, the changes in 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 area substantially as set forth on Exhibit F, pages 1 and 2, 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 Feather Falls exchange coincident with its establishment.

2. The proposed revision in the boundary of the Oroville exchange as set forth in Exhibit F, page 1, attached to the application is authorized to be made effective coincident with the establishment of the Feather Falls exchange.

3. Applicant is relieved in this instance from the requirements set forth in the sixth paragraph in the order in Decision No. 41416, dated April 6, 1948, with respect to the initial installation of the Feather Falls dial central office.

4. Upon the establishment of Feather Falls exchange, applicant is authorized to establish, as deviations, three foreign exchange farmer line stations within the Feather Falls base rate area at the locations set forth in the amendment to application herein. Such deviations are authorized subject to Pacific Company's

practice of discontinuing such deviations when there is a change in the recipient of the service, a change in service arrangement, or a change in location of the service at the subscriber's request. Within five days after the effective date of this order, applicant shall notify the lumber company of applicant's practice on these deviations and shall file a copy of such notice with this Commission.

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

Dated at San Francisco, California, this 30th day of 1 AUGUST, 1955.

[Signature]
President
[Signature]
[Signature]
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Commissioners