

ORIGINALDecision No. 52494

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 General Telephone Company of Cali-
 fornia for determination whether the
 public interest requires the estab-
 lishment of extended service over
 certain routes in Orange County and
 portions of Los Angeles County which
 are adjacent to the Orange County
 boundary and, in the event it is
 determined that the public interest
 requires the establishment of such
 service, for authority to establish
 rates for said extended service, to
 cancel and withdraw present exchange
 service rates in the areas affected
 and to cancel and withdraw message
 toll telephone service rates now in
 effect for said routes.

Application No. 36943
 (First Amended)

In the Matter of the Application of
 The Pacific Telephone and Telegraph
 Company, a corporation, for determina-
 tion whether the public interest
 requires the establishment of extended
 service over certain routes in Orange
 County and portions of Los Angeles
 County which are adjacent to the Orange
 County boundary and, in the event it is
 determined that the public interest
 requires establishment of such service,
 for authority to establish rates for
 said extended service in lieu of pres-
 ent rates in the areas affected and to
 cancel and withdraw message toll tele-
 phone service rates now in effect for
 said routes.

Application No. 37362

Appearances and list of witnesses
 are set forth on Appendix A.

O P I N I O N

Applicants' Requests

Applicants, by the above-entitled applications filed
 respectively by General Telephone Company of California on May 4, 1955,
 and amended on December 1, 1955, and by The Pacific Telephone and
 Telegraph Company on October 3, 1955, request that the Commission

determine whether or not the public interest requires the establishment of extended service over certain routes in Orange and Los Angeles Counties. Applicants further request that if the Commission finds such extended service to be in the public interest, to authorize them to establish rates coincident with the provision of extended service, cancel and withdraw present rates for exchange and toll service in the affected areas. In addition, the General Company seeks authorization to proceed with the required changes in and additions to its telephone plant and the Pacific Company seeks authority to establish two district areas in its Anaheim exchange.

Public Hearing

After due notice public hearing was held on these applications on a consolidated basis before Commissioner Justus F. Craemer and Examiner M. W. Edwards in Santa Ana on December 15, 1955, the matter being submitted for decision on that date. Applicants, through four witnesses, presented three exhibits supplementing those attached to the applications. The Commission's staff, represented by counsel and its Telephone Engineer, took an active part in the proceeding and presented nine exhibits through one witness.

The representative of the California Farm Bureau Federation who was instrumental in the early proceedings which led to the introduction of extended service in Pacific Company's territory in Orange County, stated that with the addition of the three General Company exchanges in Orange County the Farm Bureau's program will be completed. He took no position regarding the expansion of extended service across the Orange County boundary into contiguous central offices in Los Angeles County as studied in these applications but did not oppose such expansion of the Orange County service if found to be reasonable.

A representative of the Associated Chambers of Commerce of Orange County urged the adoption of extended service as studied by the applicants and also requested consideration of further expansion of the service to reach into downtown Long Beach. A representative for the City of Buena Park, which is expanding rapidly and lies within several central office areas, expressed the need for toll-free service as covered by the applications and also suggested further expansion into the main business areas of Long Beach and Compton. Counsel and a representative for the City of Long Beach also requested expansion of the local calling areas of the entire Long Beach exchange to include a number of Orange County exchanges. A similar view was expressed by a representative of the City of Lakewood regarding all of the central office areas serving his city.

A representative for Fullerton Union High School and Junior College districts of Orange County discussed the rapid growth in the northern portion of the study area, pointing out that existing local calling areas are inadequate because of this growth and requested prompt and full consideration by the Commission of the need for extended service between Orange and Los Angeles Counties.

The Commission has received several letters, a petition signed by 81 residents of the La Mirada area, and telephone communications generally in support of the extended service as studied. Representatives from Midway City Chamber of Commerce appeared at the hearing and addressed a communication to the Commission generally favoring extended service as studied.

Background of Proceeding

Pursuant to Decision No. 50630, dated October 13, 1954, in Application No. 35762, the Pacific Company inaugurated extended

service in its Orange County exchanges on October 31, 1954. In connection with that proceeding the Commission concluded that Pacific should expedite studies in cooperation with the General Company as to the feasibility of making extended service available in the remaining exchanges in Orange County and with local calling areas which may include certain adjacent or nearby exchanges or district areas in both Los Angeles and Orange Counties. The General Company indicated its willingness to cooperate in such studies. The present applications contain the results of such studies.

Present Service

The General Company serves three exchanges in Orange County—Huntington Beach, Laguna Beach and Westminster—, comprised of some 11,300 stations as of June 30, 1954. At the present time local telephone service is provided in these exchanges with calls to other exchanges handled on a toll basis. In that portion of Los Angeles County contiguous to Orange County the General Company has six central office areas—Artesia and Norwalk of the Downey exchange, Lakewood and Termino of the Long Beach exchange, and La Habra and South of the Whittier exchange—, comprised of some 89,950 stations as of June 30, 1954. Extended service is provided in these Los Angeles County exchanges and central office areas, but such extended service does not now extend over to any Orange County exchanges.

The Pacific Company exchanges, or central office areas adjacent or near the above-mentioned General Company exchanges which were studied are the Cypress central office area of the Anaheim exchange, Brea, Buena Park, Fullerton, Garden Grove, Newport Beach, and Santa Ana. As of June 30, 1954, the Pacific Company served some 61,000 company stations in these exchanges and the central office area. The extended service now provided in these exchanges is limited to Pacific exchanges in Orange County.

Extended Service as Studied

In the event the Commission finds that public interest requires establishment of extended service over certain routes not now available, the applicants studied the effect of introducing such extended service with expansions of local service areas as shown below:

<u>Exchange or Central Office Area</u>	<u>Studied Additions to Local Service Areas</u>	<u>Stations in Local Service Areas as of June 30, 1954</u>	
		<u>Present</u>	<u>Studied</u>
Anaheim-Cypress	Downey-Artesia, Long Beach-Lakewood, Long Beach-Termino, Westminster	63,027	123,371
Brea	Whittier-LaHabra	63,027	68,116
Buena Park	Downey-Artesia, Downey-Norwalk, Whittier-La Habra, Whittier-South	63,027	97,788
Downey-Artesia	Anaheim-Cypress, Buena Park	89,951*	93,720*
Downey-Norwalk	Buena Park	89,951*	91,937*
Fullerton	Whittier-La Habra	63,027	68,116
Garden Grove	Westminster	77,461	79,339
Huntington Beach	Newport Beach, Santa Ana, Long Beach-Termino, Westminster	2,874	82,847
Laguna Beach	Newport Beach	6,560	20,994
Long Beach-Lakewood	Anaheim-Cypress	72,525*	74,308*
Long Beach-Termino	Anaheim-Cypress, Huntington Beach, Westminster	72,525*	79,060*
Newport Beach	Huntington Beach, Laguna Beach	47,005	56,439
Santa Ana	Huntington Beach, Westminster	77,461	82,213
Westminster	Anaheim-Cypress, Garden Grove, Huntington Beach, Long Beach-Termino, Santa Ana	1,878	74,844
Whittier-La Habra	Brea, Buena Park, Fullerton	34,761*	46,899*
Whittier-South	Buena Park	34,761*	36,747*

* Additional stations are available in Los Angeles County local service area which are outside the study area.

Present, Studied and Alternate Rates

The present rates, the rates studied in the applications and possible alternate rates of the General Company as set forth in Exhibit 1 are compared in Table 1. A witness for the Pacific

Company testified that the studied rates for Pacific's exchanges were designed to offset the net cost and toll revenue loss effects of the plan and generally followed the pattern of rates in the Orange County extended areas. A witness for the General Company stated that the studied rates approximately offset the net cost and toll revenue loss effects of the plan and were patterned generally after the extended service rates in effect in its exchanges in Los Angeles County. The alternate rates of General Company were based on the amount of toll charges eliminated in a particular exchange or central office area if extended service is adopted. Under cross-examination he expressed the opinion that the alternate schedule of rates was preferable under present conditions but that the rates studied in the application were more desirable for the future.

TABLE I

PRESENT, STUDIED AND ALTERNATE RATES

Exchange or Central Office Area	Rate per Month					
	Class and Grade of Service					
	Business			Residence		
	1-Party		2-Party	1-Party		4-Party
Flat	Message	Flat	Flat	Flat	Flat	
Anaheim-Cypress						
Present	\$11.00	\$5.25 (65)	\$7.75*	\$5.00	\$3.95	\$3.30
Studied	12.00	6.25 (80)	-	5.45	4.40	3.70
Brea						
Present	11.00	5.25 (65)	7.75*	5.00	3.95	3.30
Studied	11.25	5.50 (65)	-	5.05	4.00	3.35
Buena Park						
Present	11.00	5.25 (65)	7.75*	5.00	3.95	3.30
Studied	11.75	6.00 (75)	-	5.30	4.25	3.60
Downey-Artesia						
Present	10.50	-	8.25	5.50	4.50	3.75
Studied	10.50	-	8.25	5.50	4.50	3.75
Alternate	11.20	-	8.80	5.60	4.60	3.85
Downey-Norwalk						
Present	10.50	-	8.25	5.50	4.50	3.75
Studied	10.50	-	8.25	5.50	4.50	3.75
Alternate	10.75	-	8.40	5.50	4.50	3.75
Fullerton						
Present	11.00	5.25 (65)	7.75*	5.00	3.95	3.30
Studied	11.25	5.50 (65)	-	5.05	4.00	3.35
Garden Grove						
Present	11.50	5.75 (75)	8.25*	5.25	4.20	3.55
Studied	11.75	6.00 (75)	-	5.30	4.25	3.60
Huntington Beach						
Present	6.00	-	4.75	4.25	-	2.75
Studied	10.75	-	8.25	5.50	-	3.75
Alternate	10.25	-	8.25	5.50	-	3.75
Laguna Beach						
Present	6.50	-	5.25	4.50	-	3.00
Studied	10.75	-	8.25	5.50	-	3.75
Alternate	7.50	-	6.25	5.00	-	3.25
Long Beach-Lakewood						
Present	10.50	-	8.25	5.50	4.50	3.75
Studied	10.50	-	8.25	5.50	4.50	3.75
Alternate	10.90	-	8.55	5.50	4.50	3.75
Long Beach-Termino						
Present	10.50	-	8.25	5.50	4.50	3.75
Studied	10.50	-	8.25	5.50	4.50	3.75
Alternate	11.15	-	8.80	5.50	4.50	3.75
Newport Beach						
Present	11.00	5.25 (65)	7.75*	5.00	3.95	3.30
Studied	11.00	5.25 (65)	-	5.00	3.95	3.30
Santa Ana						
Present	11.50	5.75 (75)	8.25*	5.25	4.20	3.55
Studied	11.75	6.00 (75)	-	5.30	4.25	3.60
Westminster						
Present	6.00	-	4.75	4.25	-	2.75
Studied	10.75	-	8.25	5.50	-	3.75
Alternate	11.50	-	9.25	5.50	-	3.85

TABLE I Contd.

PRESENT, STUDIED AND ALTERNATE RATES

<u>Exchange or Central Office Area</u>	<u>Rate per Month</u>					
	<u>Class and Grade of Service</u>					
	<u>Business</u>			<u>Residence</u>		
	<u>1-Party</u>		<u>2-Party</u>	<u>1-Party</u>	<u>2-Party</u>	<u>4-Party</u>
	<u>Flat</u>	<u>Message</u>	<u>Flat</u>	<u>Flat</u>	<u>Flat</u>	
Whittier-La Habra						
Present	\$10.50	-	\$8.25	\$5.50	\$4.50	\$3.75
Studied	10.50	-	8.25	5.50	4.50	3.75
Alternate	12.10	-	9.85	5.95	4.80	4.00
Whittier-South						
Present	10.50	-	8.25	5.50	4.50	3.75
Studied	10.50	-	8.25	5.50	4.50	3.75
Alternate	10.70	-	8.55	5.50	4.50	3.75

* Rate applies only to services established or applied for prior to October 31, 1954. Rate to be withdrawn when facilities become available to furnish business individual line flat or message rate service.

Cost and Revenue Effects

Exhibit C of the General Company's application shows that the introduction of nonoptional extended service as studied will result in an estimated annual reduction of \$41,534 in accounting, commercial, and traffic expenses. The loss in toll revenue is estimated at \$133,109 annually. The new plant required, including amortization of nonrecurring expenses, will result in an estimated increase in annual charges of \$65,537. Thus, a net increase of \$157,112 in exchange revenue is necessary to offset the net cost and toll loss effect. The General Company computes that the studied increases in exchange rates will yield \$157,369 on an annual basis.

Likewise Exhibit 3 of the Pacific Company shows that extended service as studied will result in an estimated annual reduction of \$92,800 in accounting, commercial, and traffic expenses. The loss in toll revenue, including toll settlement effects is estimated at \$165,000 annually. The net plant required, including amortization of nonrecurring charges, will result in a decrease in annual charges of \$10,800. Thus, a net increase of \$61,400 is necessary to offset the net cost and toll loss effects. The Pacific Company computes that the studied increases in exchange rates will yield the approximate amount of \$61,400.

Prior to the hearing the staff analyzed the applicants' cost and revenue computations exchange by exchange in order to check the reasonableness of the computations and as a guide to the cost changes attributable to each exchange. The staff summarized its cost showing in Exhibit No. 4. The staff witness found that under the studied rates there were variations as between exchanges in the relationship of the net increased cost compared to the studied increased revenue. His position was that in setting the

rates reasonable consideration should be given to the differential cost in each exchange or central office area.

The extended service plan studied did not contemplate extended service between Santa Ana and Laguna Beach. If this added service were inaugurated the staff estimated by Exhibit No. 12 that an additional \$53,693 in annual exchange revenues, segregated \$26,687 to Laguna Beach and \$27,006 to Santa Ana, would be required to offset the net cost and toll loss effects.

Toll Usage and Charges

Applicants' estimates of toll revenue loss were predicated on a ten-day traffic count in June 1954 raised to an average month for the year 1954. Within the study area applicants' estimates for the month of June 1954 showed the following:

	<u>General Company</u>	<u>Pacific Company</u>	<u>Total</u>
Total Toll Messages Terminating in Study Area	175,139	133,999	309,138
Toll Messages Eliminated by Extended Service - Number	71,497	60,916	132,413
- Ratio	40.8%	45.5%	42.8%
Total Toll Charges on Messages Terminating in Study Area	\$45,981.08	\$32,764.57	\$78,745.65
Toll Charges Eliminated by Extended Service - Amount	\$13,915.94	\$11,090.17	\$25,006.11
- Ratio	30.3%	33.8%	31.8%

In order to determine the effect on the subscribers of introducing extended service, block toll usage summaries were prepared. These studies show that for a one-month period 75 per cent of the Pacific Company subscribers in the study area placed no toll messages that would be eliminated by the introduction of extended service. Comparable data for the General Company showed that 88 per cent of its subscribers in the study area would have had no local tolls eliminated. Within the various exchanges these percentages ranged from 18 per cent in Westminster to 98 per cent

in Long Beach-Lakewood and in Whitter-South. It should be pointed out that this was a sample for a one-month period and different periods might very well show different subscribers having different usages from time to time. Experience further shows that with the elimination of toll charges, local traffic flow is stimulated as much as 2.5 times the former toll traffic. This factor is not reflected in the above-mentioned block toll usage studies.

Advantages of Extended Service

In addition to the desire expressed for extended service by the appearances and representatives of various groups in the study area, the telephone subscribers as a whole will benefit by approximately \$47,000 in total telephone charges by reason of the more economical method of operation. While some subscribers will have their total bill for telephone service increased to a certain extent, others, particularly those with larger toll usage, will realize direct monetary benefits. All subscribers will be afforded the opportunity of calling and being called by those in adjacent and nearby points without payment of additional toll charges.

Concern was expressed over a two-year delay in inaugurating the expanded extended service for Orange County. The evidence shows that the minimum time required to forecast, engineer, order, manufacture, ship, install and test the more than \$600,000 of gross new construction is approximately 24 months. Even with manual operation it is questionable if the subscribers could receive the advantages of extended service in much less than 24 months.

Conclusions and Findings

The area is growing rapidly and the need for extended service expansion to the three General Company exchanges in Orange County and contiguous central office areas in Los Angeles County has been shown. No opposition was expressed to the expansion of

the Orange County extended service. The advantages of increased service incident to an expansion of local calling areas as studied by the applicants, in the Commission's opinion, warrant reasonable increases in exchange rates even to those subscribers who on a block toll usage study may now show little need for such service. After considering the increased cost by exchanges and corresponding toll reductions the Commission concludes that the rates studied by applicants, which are generally uniform over the entire area, should be modified to more reasonably reflect the toll savings and increased cost effects exchange by exchange or by central office area.

With regard to the requests that the extended service include additional areas in Los Angeles County beyond those studied, there is no showing as to what the cost and rate effects might be and they are beyond the scope of the studies in these applications. Parties making these requests may at any time inaugurate appropriate proceedings for such determination by the Commission.

With regard to broadening the extended service studied for Laguna Beach, it is the Commission's conclusion that insufficient interest was shown at this time to warrant the increased exchange rates in both Santa Ana and Laguna Beach which would be required for toll-free calling between the areas. For the present order, it appears reasonable to include Newport Beach in the local calling area of Laguna Beach as studied.

From the facts of record herein the Commission finds: that the public interest requires the establishment of nonoptional extended service in the remaining areas in Orange County that do not now have extended service and in adjacent areas in Los Angeles County, as studied in these applications, at the earliest

practicable date; that rates for extended service should now be prescribed and that any increases in rates and charges authorized herein are justified upon the establishment of extended service; that the present rates, in so far as they differ from those herein prescribed after extended service is inaugurated for the future will be unjust and unreasonable; and that an order should be issued authorizing extended service as hereinabove outlined.

O R D E R

The above-entitled applications having been filed, a public hearing having been held, the matter having been submitted and the Commission having found that public interest requires the extension of extended service in Orange County and Los Angeles County as hereinabove outlined; therefore,

IT IS ORDERED as follows:

1. Applicants are authorized to expand the local service areas of the Brea, Buena Park, Fullerton, Garden Grove, Huntington Beach, Laguna Beach, Newport Beach, Santa Ana and Westminster exchanges and the Cypress, Artesia, Norwalk, Lakewood, Termino, La Habra and South central office areas as studied in these applications on or before March 1, 1958.

2. Applicants are authorized to file in quadruplicate with this Commission after the effective date of this order, in conformity with the Commission's General Order No. 96, revised tariff schedules with changes in rates, charges and conditions as set forth in Appendix B attached hereto and after not less than five days' notice to this Commission and to the public to make said revised tariff schedules effective coincident with the establishment of extended service as provided by Section 1 hereof.

3. At the time of making effective the rates authorized by Section 2 hereof applicants are authorized to cancel present rates for local and toll service within and between the areas studied in the applications.

4. Applicants are authorized to proceed with necessary changes in and additions to telephone plant to effectuate the extended service as authorized in Section 1 hereof.

5. The Pacific Telephone and Telegraph Company is authorized to establish two district areas in its Anaheim exchange as shown in Exhibit A, Section VIII of its application and as studied in its application.

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

Dated at San Francisco, California, this 23rd day of January, 1956.

John E. Mitchell
President
Justin J. Carroll
Paul V. Lutz
Michael J. Kelly
W. J. Hardy
Commissioners

APPENDIX A

LIST OF APPEARANCES

For Applicant The Pacific Telephone and Telegraph Company: Pillsbury, Madison & Sutro; Arthur T. George; Francis N. Marshall.

For Applicant General Telephone Company of California: Marshall K. Taylor.

Interested Parties:

California Farm Bureau Federation, by J. J. Deuel and Bert Buzzini; City of Long Beach, by Wahlfred Jacobson, Leslie E. Still, and Henry E. Jordan; Associated Chambers of Commerce of Orange County, by William Gallienne; Midway City Chamber of Commerce, by Ernest L. Whitson and R. A. Russell; Los Angeles County Department of Communications, by Maurice E. Kennedy; City of Buena Park, by Gale Wilson; City of Lakewood, by Robert T. Anderson; Fullerton Union High School and Junior College Districts of Orange and Los Angeles Counties, by T. Stanley Warburton.

For the Commission's staff:

Boris Lakusta and William W. Dunlop

LIST OF WITNESSES

Evidence was presented on behalf of the General Telephone Company of California by Ernest W. Watson and Frederick C. Rahdert.

Evidence was presented on behalf of The Pacific Telephone and Telegraph Company by Carl F. Joos and Carl S. Kleinau.

Evidence was presented on behalf of the Commission staff by Melvin E. Mezek.

APPENDIX B
Page 1 of 7RATES

The presently effective rates, charges, and conditions are authorized to be changed as set forth in this appendix.

General Telephone Company of CaliforniaSchedule No. A-1

	Rate per Month				
	Business Service		Residence Service		
	Indi- vidual Line	Two- Party Line	Indi- vidual Line	Two- Party Line	Four- Party Line
Extended Service - Flat Rate Each Primary Handset Station:					
Downey-Artesia C.O.	\$11.70	\$9.25	\$5.50	\$4.50	\$3.75
Downey-Norwalk C.O.	10.80	8.50	5.50	4.50	3.75
Huntington Beach	10.00	8.00	5.25	-	3.45
Laguna Beach	9.10	7.30	4.95	-	3.20
Long Beach-Lakewood C.O.	11.10	8.75	5.50	4.50	3.75
Long Beach-Termino C.O.	11.10	8.75	5.50	4.50	3.75
Westminster	11.70	9.25	5.50	-	3.75
Whittier-La Habra C.O.	12.20	9.85	5.60	4.60	3.80
Whittier-South C.O.	10.90	8.60	5.50	4.50	3.75

Schedule No. A-3

Each extended service individual line coin-box station:

<u>Exchange or Central Office Area</u>	<u>Rate per Month</u>	<u>Minimum Charge per Day</u>
Huntington Beach, Laguna Beach	\$1.25	\$0.22
Downey-Artesia C.O., Downey-Norwalk C.O., Long Beach-Lakewood C.O., Long Beach-Termino C.O., Westminster, Whittier-South C.O.	1.50	.23
Whittier-La Habra C.O.	1.50	.24

Schedule No. A-5

Extended Service, each primary handset station:

<u>Exchange or Central Office Area</u>	<u>Rate per Month</u>	
	<u>Business Service</u>	<u>Residence Service</u>
Huntington Beach	\$7.00	\$3.95
Laguna Beach	6.25	3.70
Long Beach-Lakewood C.O.	7.50	4.25
Long Beach-Termino C.O.	7.50	4.25
Westminster	8.25	4.25
Whittier-La Habra C.O.	8.75	4.30
Whittier-South C.O.	7.50	4.25

APPENDIX B
Page 2 of 7Schedule No. A-6Schedule No. A-7

	<u>Rate per Month</u>
Each flat rate extended service trunk:	
Downey-Artesia C.O.	\$17.50
Downey-Norwalk C.O.	16.00
Huntington Beach	15.00
Laguna Beach	13.50
Long Beach-Lakewood C.O.	16.50
Long Beach-Termino C.O.	16.50
Westminster	17.50
Whittier-La Habra C.O.	18.25
Whittier-South C.O.	16.25

Schedule No. A-8

	<u>Rate per Month</u>	
	<u>Business Service</u>	<u>Residence Service</u>
Each flat rate extended service trunk:		
Downey-Artesia C.O.	\$17.50	\$8.25
Downey-Norwalk C.O.	16.00	8.25
Huntington Beach	15.00	7.75
Laguna Beach	13.50	7.25
Long Beach-Lakewood C.O.	16.50	8.25
Long Beach-Termino C.O.	16.50	8.25
Westminster	17.50	8.25
Whittier-La Habra C.O.	18.25	8.25
Whittier-South C.O.	16.25	8.25

Schedule No. A-9

	<u>Rate per Month</u>	
	<u>Extended Service</u>	
	<u>Business Service</u>	<u>Residence Service</u>
Each trunk:		
Long Beach-Lakewood C.O.	\$16.50	\$8.25
Long Beach-Termino C.O.	16.50	8.25
Whittier-La Habra C.O.	18.25	8.25
Whittier-South C.O.	16.25	8.25

Schedule No. A-13

Joint user rates for extended service are authorized in Huntington Beach, Laguna Beach and in Westminster.

Schedule No. A-19

Rates for foreign exchange service are authorized to be cancelled over those additional routes which are authorized herein to be included within the local service areas.

Primary rates for other foreign exchange services are authorized to be adjusted to the extent required by changes in the basic individual line, party line, or PBX trunk rate.

APPENDIX B
Page 3 of 7Schedule No. A-21

Revise Special Condition 1 to show the revisions in local service areas set forth in Schedule No. A-28.

Schedule No. A-28

Service at extended service rates is furnished without additional charge as follows:

<u>From stations receiving extended service from the exchanges or areas designated as</u>	<u>Exchanges</u>	<u>District Areas</u>	<u>Central Office Areas</u>
Downey-Artesia C.O.	Buena Park Downey Long Beach Whittier	Compton(a) Cypress(b)	
Downey-Norwalk C.O.	Buena Park Downey Long Beach Whittier	Compton(a)	
Huntington Beach	Huntington Beach Newport Beach Santa Ana Westminster		Termino(c)
Laguna Beach	Laguna Beach Newport Beach		
Long Beach-Lakewood C.O.	Long Beach San Pedro	Compton(a) Cypress(b) Torrey(d)	
Long Beach-Termino C.O.	Huntington Beach Long Beach San Pedro Westminster	Compton(a) Cypress(b) Torrey(d)	
Westminster	Garden Grove Huntington Beach Santa Ana Westminster	Cypress(b)	Termino(c)
Whittier-La Habra C.O.	Alhambra Brea Buena Park Covina Downey El Monte Fullerton Montebello Whittier		

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Schedule No. A-28--Contd.

	<u>Exchanges</u>	<u>District Areas</u>	<u>Central Office Areas</u>
Whittier-South C.O.	Alhambra Buena Park Covina Downey El Monte Montebello Whittier		

- (a) District Area of the Compton exchange.
- (b) District Area of the Anaheim exchange.
- (c) Central Office Area of the Long Beach exchange.
- (d) District Area of the Downey exchange.

All Schedules

Present rates and conditions for service in Downey, Huntington Beach, Laguna Beach, Long Beach, Westminster and Whittier exchanges are revised to the extent required by the revisions set forth above.

The Pacific Telephone and Telegraph Company

Schedule No. 2-T

Service at Los Angeles and extended service rates is provided without additional charge as follows:

From stations receiving
extended service from the
exchange designated as

To stations receiving service from
exchanges, district areas and
central office areas designated as

	<u>Exchanges</u>	<u>District Areas</u>	<u>Central Office Areas</u>
Anaheim: Anaheim District Area	Anaheim Brea Buena Park Fullerton Garden Grove Orange Placentia Santa Ana		
Cypress District Area	Anaheim Brea Buena Park Fullerton Garden Grove Orange Placentia Westminster		Artesia(a) Lakewood(b) Termino(b)

Schedule No. 2-T--Cont.

	<u>Exchanges</u>	<u>District Areas</u>	<u>Central Office Areas</u>
Brea	Anaheim Brea Buena Park Fullerton Garden Grove Orange Placentia Santa Ana		La Habra(c)
Buena Park	Anaheim Brea Buena Park Fullerton Garden Grove Orange Placentia Santa Ana		Artesia(a) Norwalk(a) La Habra(c) South(c)
Fullerton	Anaheim Brea Buena Park Fullerton Garden Grove Orange Placentia Santa Ana		La Habra(c)
Garden Grove	Anaheim Brea Buena Park Fullerton Garden Grove Newport Beach Orange Placentia Santa Ana Westminster		
Newport Beach	Garden Grove Huntington Beach Laguna Beach Newport Beach Santa Ana		
Santa Ana	Anaheim Brea Buena Park Fullerton Garden Grove Huntington Beach Newport Beach Orange Placentia Santa Ana Westminster		

- (a) Central Office Area of the Downey exchange.
 (b) Central Office Area of the Long Beach exchange.
 (c) Central Office Area of the Whittier exchange.

APPENDIX B
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Schedule No. 5-T

Extended Service Each Primary Station	Individual and Party Line Service				
	Rate per Month				
	Business	Residence			
	Individual	Two-Party	Individual	Two-Party	Four-Party
	Line	Line	Line	Line	Line
Anaheim:					
Anaheim District Area	\$11.00	\$7.75*	\$5.00	\$3.95	\$3.30
	5.25(65)				
Cypress District Area	11.75	-	5.25	4.15	3.45
	6.00(75)				
Brea	11.45	-	5.10	4.00	3.35
	5.70(70)				
Buena Park	11.75	-	5.25	4.15	3.45
	6.00(75)				
Fullerton	11.45	-	5.10	4.00	3.35
	5.70(70)				
Garden Grove	11.75	-	5.25	4.20	3.55
	6.00(75)				
Newport Beach	11.40	-	5.05	4.00	3.35
	5.65(70)				
Santa Ana	11.75	-	5.25	4.20	3.55
	6.00(75)				

- Service not offered.
* Refer to Condition 1.

Extended Service Each Primary Station	Suburban Service		Semipublic Service	
	Rate per Month		Individual Line	
	Business	Residence	Rate	Minimum
	Ten-Party	Ten-Party	per	Charge per
	Line	Line	Month	Day
Anaheim:				
Anaheim District Area	\$ -	\$ -	\$1.25	\$0.24
Cypress District Area	-	-	1.50	.24
Brea	5.75	3.85	1.50	.24
Buena Park	5.85	3.95	1.50	.24
Fullerton	5.75	3.85	1.50	.24
Garden Grove	-	-	1.50	.24
Newport Beach	5.75	3.85	1.50	.24
Santa Ana	5.85	4.05	1.50	.24

- Service not offered.

APPENDIX B
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	<u>Rate per Month</u>
	<u>Each Flat</u> <u>Rate Trunk</u>
Extended Service:	
Anaheim:	
Anaheim District Area	\$16.50
Cypress District Area	17.50
Brea	17.00
Buena Park	17.50
Fullerton	17.00
Garden Grove	17.50
Newport Beach	17.00
Santa Ana	17.50

Schedule No. 35-T

Rates for foreign exchange service are authorized to be cancelled over those additional routes which are authorized herein to be included within the local service areas.

Primary rates for other foreign exchange services are authorized to be adjusted to the extent required by changes in the basic individual line, party line, or PSX trunk rate.

All Schedules

Present rates and conditions for service in Anaheim, Brea, Buena Park, Fullerton, Garden Grove, Newport Beach, and Santa Ana exchanges are revised to the extent required by the revisions set forth above.