

Decision No. 52594**ORIGINAL**

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 establish two district areas and)
 an additional rate center in the)
 Sonora exchange.)

Application No. 37349
 (As Amended)

OPINION AND ORDER

The Pacific Telephone and Telegraph Company, by the above-entitled application, filed on September 28, 1955 and as amended on January 19, 1956, requests authority to (1) establish two district areas in the Sonora exchange to be designated Main and Juno and a base rate area in the Juno district as shown on Exhibit A, revised; (2) file and make effective coincident with the establishment of the Juno district rates as shown on Exhibit E of the application as amended; (3) refile present Sonora exchange service rates to limit their applicability to the Main district; and (4) establish a toll rate center in the Juno district.

Sonora exchange is located in Tuolumne County, approximately 50 miles east of Stockton. The exchange serves approximately 127 square miles of territory including the communities of Twain Harte and Mi Wuk Village within the suburban area.

The application as amended shows that Twain Harte is located approximately 7 miles northeast of the present Sonora base rate area on Highway 108; that it is an established year round mountain resort community with a permanent population estimated at 700 persons; and that at present there are approximately 24 business and 181 residence telephones in the proposed base rate area at Twain Harte, all but six of which are suburban 10-party line services.

Mi Wuk Village is a new subdivision comprising over 340 acres located some 3 miles northeast of Twain Harte. It appears that 400 lots have been sold and some 80 residences have been built in Mi Wuk Village; that 800 to 1,000 homes and about 40 business establishments are planned over the next few years; and that telephone service in the proposed base rate area at Mi Wuk Village presently is provided to 25 stations, 20 being suburban services. There are also 66 suburban services furnished in the Juno district outside the proposed Twain Harte and Mi Wuk Village base rate areas.

In view of the nature and density of development in the communities of Twain Harte and Mi Wuk Village, coupled with their distance from the present Sonora base rate area, applicant proposes to serve these communities from a new dial central office in Twain Harte and to establish two district areas in the Sonora exchange, one of which would be designated Main to be comprised of the Town of Sonora and surrounding territory, and the second would be designated Juno to be comprised of the communities of Twain Harte and Mi Wuk Village and surrounding territory to the north and east of the Main district as shown on Exhibit A, revised. Applicant also proposes to establish a base rate area at Twain Harte and one at Mi Wuk Village. A higher level of rates for urban grades of service is proposed in the Juno district than within the proposed Main district. The present Sonora exchange rates are proposed to be continued in effect in the Main district.

Comparison of present and proposed rates for the principal classifications of exchange service in the proposed Juno district follows:

Item	Rate per Month					
	Proposed Twain Harte Base Rate Area		Proposed Mi Wuk Village Base Rate Area		Suburban Area	
	Present Range	Proposed	Present Range	Proposed	Present	Proposed
Business						
1-party	\$20.50-\$23.50	\$8.00	\$26.50-\$29.50	\$8.00	\$	*
2-party	15.05- 17.15	6.30	19.25- 21.35	6.30		*
Suburban 10-party	4.75	-	4.75	-	4.75	4.75
Farmer line						
Residence						
1-party	18.05- 21.05	5.55	24.05- 27.05	5.55		*
2-party	13.30- 15.40	4.55	17.50- 19.60	4.55		*
4-party	9.95- 11.45	3.70	12.95- 14.45	3.70		*
Suburban 10-party	3.45	-	3.45	-	3.45	3.45
Farmer line						

* Urban grades of service would be furnished in the suburban area of the Juno district at base rates plus suburban mileage charges.

Present suburban services located within the proposed Twain Harte and Mi Wuk Village base rate areas, under applicant's plan, would be upgraded to one-, two-, or four-party line services at the rates proposed.

Also it is applicant's plan to establish a new toll rate center¹ in the Juno district, approximately 10 airline miles north-east of the present Sonora toll rate center. The new toll rate center would be applicable to toll routes up to 40 miles. Toll messages between points beyond 40 airline miles of the Juno district toll rate center, under applicant's plan, would be rated from the present Sonora rate center. No toll charges would apply between the proposed

¹ The location of this toll rate center is in the southwest quarter of the southwest quarter of Section 9, Township 2 north, Range 16 east, Mount Diablo Base and Meridian. The block and section location is W 11-a.

Main and Juno district areas of the Sonora exchange. Applicant states that the effect on initial period station toll rates of establishing a new toll rate center in the Juno district is to increase by 5 cents 13 routes, increase by 10 cents 9 routes and decrease by 5 cents 1 route.

The estimated net effect on charges to customers resulting from the proposed upgrading of suburban services and changes in toll rates is an annual increase of \$4,300, segregated \$400 to toll rates and \$3,900 to exchange rates.

Applicant estimates the gross construction costs of the plan approximate \$133,500 as follows:

<u>Gross Construction</u>	
Land	\$ 3,500
Building	10,000
Central Office Equipment	38,000
Toll Terminal Equipment	3,000
Outside Plant	79,000
Total Gross Construction	<u>133,500</u>

If applicant were to serve Twain Harte and Mi Wuk Village from the Sonora central office, it estimates the gross construction would approximate \$280,300 or some \$146,800 more than is indicated under the plan applicant proposes.

The Commission has considered the above-entitled application as amended 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 improve telephone service. Finding 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 upon the establishment of the Main and Juno district areas within the Sonora exchange, will thereafter be unjust and unreasonable; therefore,

IT IS HEREBY ORDERED that 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, charges, conditions, rules and regulations for exchange and for toll telephone service as set forth on Exhibits B and E and maps of the Sonora exchange and base rate areas revised as set forth on Exhibit A, revised, of the application as amended 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 Sonora exchange coincident with the establishment of the Main and Juno district areas within the Sonora exchange.

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

Dated at San Francisco, California, this 7th day of February, 1956.

Arthur E. Mitchell
President

Matthew J. Casanova

Ray G. Wutarsch

Walter J. Brady

Commissioners