

Decision No. 53670**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 CALIFORNIA INTERSTATE TELEPHONE)
 COMPANY, a corporation, for authority)
 to file a new basic tariff schedule)
 for Classified Telephone Directory)
 Advertising Service.)

Application No. 38244

OPINION AND ORDER

California Interstate Telephone Company, by the above-entitled application filed on July 12, 1956, seeks authority under Sections 454, 491 and 701 of the Public Utilities Code to file and make effective a new basic tariff schedule applicable to classified directory advertising service.

Applicant is a corporation organized under the laws of the State of California, and engaged as a public utility in serving and providing the public with telephone and telegraph communication services in portions of the counties of Alpine, Mono, Inyo, Kern and San Bernardino, State of California, and in portions of the Counties of Douglas, Lyon and Esmeraldo in the State of Nevada.

Four classified telephone directories are proposed to be issued. The exchanges included in each of the four directories are as follows:

Exchanges Included in Directory

<u>Directory No. 1</u>	<u>Directory No. 2</u>	<u>Directory No. 3</u>	<u>Directory No. 4</u>
Alpine	Benton Station	Boron	Barstow
Bridgeport	Big Pine	Inyokern	Big Bear Lake
Coleville	Bishop	Randsburg	Newberry
	Crowley Lake	Trona	Running Springs
	Independence		Victorville
	Lee Vining		
	Lone Pine		
	Pine Creek		

Applicant's presently filed rates for classified telephone directory advertising service are the same for all exchanges listed in all directories, regardless of the number of telephones in each exchange or the number of telephones listed in each directory. Applicant asserts that its present rates for classified telephone directory advertising are lower in some cases and higher in other cases than the rates of other telephone utility companies in California.

The rates which applicant proposes ^{1/} for directory advertising increase with increasing circulation as measured by the total number of telephones in the largest exchange included in the directory. The levels of such rates are the same as those on file with this Commission by substantially all other independent telephone companies in the state. A comparison of present rates with those proposed by applicant follows:

Item	Applicant's proposed monthly rate:					
	Total Telephones in Largest Exchange in Directory					
	Present	0	1501	2501	4500	7500
	Monthly	to	to	to	to	to
	Rate	1500	2500	4500	7500	12500
Directory Number		1 and 3	2	4		
Regular type listing	\$0.30	\$0.25	\$0.25	\$0.30	\$0.35	\$0.40
Additional line of information	.30	.25	.25	.30	.35	.40
Alternate call number	.30	.25	.25	.30	.35	.40
Bold type listing	.60	.40	.50	.60	.75	1.00
Trade name listing	.60	.50	.60	.75	1.00	1.25
Trade mark or trade name cross-reference listing	.90	.50	.65	.85	1.25	1.50
Trade mark or trade name cross-reference heading	-	.50	.65	.85	1.25	1.50
Informational listing						
1-inch	1.50	1.25	1.50	1.75	2.00	3.00
1/2-inch	-	.75	.90	1.05	1.20	1.75
1/4-inch	-	1.60	2.00	2.35	2.70	4.00
Trade mark heading	1.80	1.75	2.00	2.50	3.00	4.00
Display advertising:						
One-quarter column	2.40	1.75	2.25	3.00	3.50	4.50
One-half column	4.15	3.50	4.50	6.00	7.00	9.00
Double half-column	7.15	7.00	9.00	12.00	14.00	18.00

^{1/} Exhibit C attached to the application.

The rates proposed by applicant are estimated to result in increases in charges to some subscribers and decreases in charges to other subscribers. The net effect after considering regrading at the new rate levels is an estimated increase in subscriber charges of \$9,661 based on the 1955 level of business.^{2/} Applicant estimates that annual expenses associated with the publication of its directories will increase by \$5,091, leaving a net annual increase in revenues of \$4,570 before considering taxes on income.

As of May 31, 1956 applicant shows an investment in net plant of \$9,523,613. It is apparent that the increase in revenues that would result from a granting of this application would have no appreciable effect on the rate of return of the applicant. However, any net revenue, after expenses will reflect in the overall net revenues of the applicant, which in the long run should result in lower exchange rates to the average subscriber.

Applicant proposes to make the new schedule of rates effective with the issues of the directories as follows:

<u>Directory No.</u>	<u>Effective Date</u>
1	On or about September 1, 1957
2	On or about September 1, 1957
3	On or about August 1, 1957
4	On or about October 1, 1957

The Commission has considered this matter and is of the opinion that a public hearing thereon is not necessary, and that the application should be granted as herein provided. 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 are, for future directories, unjust and unreasonable; therefore,

IT IS HEREBY ORDERED that applicant is authorized to file in quadruplicate with this Commission after the effective date of

^{2/} Exhibit D of the application.

this order, in conformity with General Order No. 96, the schedule applicable to classified telephone directory advertising service set forth in Exhibit C attached to the application and after not less than five days' notice to this Commission and to the public to make said rates effective for future issues of classified telephone directories on or about the following effective dates:

<u>Directory No.</u>	<u>Effective Date</u>
1	On or about September 1, 1957
2	On or about September 1, 1957
3	On or about August 1, 1957
4	On or about October 1, 1957

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

Dated at Los Angeles, California, this
29th day of August, 1956.

John L. Dwyer
President
Justin J. Casner
Rand Luterer
Walter H. Hoad
R. H. Hardy
Commissioners