

**ORIGINAL**

Decision No. 54041

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 SUNLAND-TUJUNGA TELEPHONE COMPANY, )  
 a corporation, for authority to )  
 increase certain rates for telephone )  
 service furnished within the )  
 Sunland-Tujunga exchange. )

Application No. 38468

OPINION AND ORDER

By the above-entitled application, filed on October 4, 1956, Sunland-Tujunga Telephone Company, seeks authority under Sections 454 and 491 of the Public Utilities Code, to increase certain nonrecurring service connection charges, move and change charges, and installation charges applicable to supplemental equipment as set forth in Exhibit B attached to the application. A summary of applicant's proposed increases in nonrecurring charges follows:

Description	Charge		
	Present	Company Proposed	Increase
<b>Service Connection Charges:</b>			
Business Primary Station or Trunk ...	\$7.00	\$10.00	\$3.00
Residence Primary Station or Trunk ...	5.00	7.00	2.00
Extension Station or Line .....	3.00	4.00	1.00
Primary Station- Instrument in Place .	3.00	4.00	1.00
<b>Move and Change Charges:</b>			
Change in Location of Instrument ....	3.00	4.00	1.00
<b>Installation Charges:</b>			
Extension Bell or Gong .....	3.00	4.00	1.00
Buzzer Circuit .....	3.00	4.00	1.00
Cam Lever Key .....	3.00	4.00	1.00

Applicant proposes that the present charges be applied to all applications received prior to the effective date of the increased charges.

In Exhibit C attached to the application, applicant shows that had its proposed increases in charges been in effect for the

entire year 1956, its gross revenues would have been increased by approximately \$6,000. Of the estimated \$6,000 total revenue increase, \$5,500 is applicable to service connections, \$400 to moves and changes, and \$100 to installations of supplemental equipment.

In support of the proposed increases, applicant asserts that the present charges have been in effect since 1952, since which time applicant's wage and material costs have increased substantially. For example, applicant asserts that the top basic hourly rate for a telephone installer has increased from \$1.95 in 1952 to \$2.80 in 1956, an increase of 43.6 per cent.

Applicant claims that its rate of return for the year 1956 will approximate 6.06 per cent, when related to an average depreciated rate base of \$2,842,800, and would increase to approximately 6.16 per cent if the proposed charges sought in this application had been in effect for the entire year.<sup>1</sup>

The proposed increases in charges sought in this application do not apply to existing services but will apply to new applications for service and for moves and changes of equipment.

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 authorized as herein provided. Finding that the increases in rates and charges authorized herein are justified and that present rates and charges in so far as they differ from those herein prescribed, for the future are unjust and unreasonable; therefore,

IT IS HEREBY ORDERED that Sunland-Tujunga Telephone Company is authorized to file in quadruplicate with this Commission after the effective date of this order, in conformity with General Order No. 96,

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<sup>1</sup> Exhibit D attached to the application.

schedules of rates and charges, revised in accordance with Appendix A attached to this order, and, after not less than five days' notice to this Commission and to the public, to make said revised charges effective for applications for service received on and after January 1, 1957.

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

Dated at San Francisco, California, this 5<sup>th</sup> day of NOVEMBER, 1956.

*W. E. Mitchell*  
 President.

*Paul Nuttman*

*Walter Dooly*

*R. H. King*

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 Commissioners

Commissioner *C. Lynn Fox* did not participate in the disposition of this proceeding.

APPENDIX A  
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RATES

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

Schedule No. A-15, Supplemental Equipment

This schedule is authorized to be revised as follows:

<u>RATES</u>	<u>Installation Charge</u>	
	<u>Applications</u>	
	<u>Before</u>	<u>On and After</u>
	<u>Jan. 1, 1957</u>	<u>Jan. 1, 1957</u>
Ordinary extension bell .....	\$3.00	\$4.00
Loud ringing extension bell or gong ..	3.00	4.00
Buzzer circuit, including 1 push button, 1 buzzer, battery and 50 foot of wire .....	3.00	4.00
Cam lever key: When used as a cutoff key .....	3.00	4.00

Schedule No. A-29, Move and Change Charges

This schedule is authorized to be revised as follows:

<u>RATES</u>	<u>Charge</u>	
	<u>Applications</u>	
	<u>Before</u>	<u>On and After</u>
	<u>Jan. 1, 1957</u>	<u>Jan. 1, 1957</u>
Subscribers' telephone sets (in- cluding stations connected to private branch exchange systems):		
Moving from one location to another on the same premises, each set .....	\$3.00	\$4.00

APPENDIX A  
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RATESSchedule No. A-30, Service Connection Charges

This schedule is authorized to be revised as follows:

<u>RATES</u>	<u>Charge Applications</u>	
	<u>Before</u>	<u>On and After</u>
	<u>Jan. 1, 1957</u>	<u>Jan. 1, 1957</u>
New and additional service:		
<u>Business Service</u>		
Each primary station .....	\$7.00	\$10.00
Each private branch exchange trunk ....	7.00	10.00
Each private branch exchange station, except operators' sets .....	3.00	4.00
Each extension station .....	3.00	4.00
<u>Residence Service</u>		
Each primary station .....	5.00	7.00
Each private branch exchange trunk ....	5.00	7.00
Each private branch exchange station, except operators' sets .....	3.00	4.00
Each extension station .....	3.00	4.00
Instrumentalities in place, and no change of location or type of fa- cilities involved:		
Subscribers' exchange service and fa- cilities, one or more units .....	3.00	4.00