

Decision No. 54223

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
WESTERN CALIFORNIA TELEPHONE COMPANY,)
a corporation, for authority to file a)
new basic tariff schedule for classified)
telephone directory advertising service)
furnished within Los Gatos, Morgan Hill,)
Novato and Kenwood exchange areas,)
California.)

Application No. 38540

OPINION AND ORDER

Western California Telephone Company, by the above-entitled application filed on November 1, 1956, seeks authority under Sections 454, 491 and 701 of the Public Utilities Code to file and make effective a new basic schedule of rates for classified telephone directory advertising service. Applicant's proposed rates are contained in Exhibit A of the application.

Applicant is a corporation organized under the laws of the State of California, engaged as a public utility in furnishing telephone service in portions of Santa Clara, Santa Cruz, Marin and Sonoma Counties.

Applicant periodically publishes four separate classified telephone directories in conjunction with telephone service furnished in each of its four exchanges: Kenwood, Los Gatos, Morgan Hill and Novato.

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 rates and groupings set forth in applicant's proposed

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

basic schedule, as shown in the following tabulation, are the same as those on file with this Commission by substantially all other independent telephone companies in the State.

Item	Applicant's Proposed Monthly Rates				
	Total Telephones in Largest Exchange				
	in Directory				
	0	1501	2501	4501	7501
	to	to	to	to	to
	1500	2500	4500	7500	12500

Rate Group Number	1	2	3	4	5
Display Advertisements:					
One-quarter column	\$1.75	\$2.25	\$3.00	\$3.50	\$4.50
One-half column	3.50	4.50	6.00	7.00	9.00
Two one-half columns	7.00	9.00	12.00	14.00	18.00

Column Advertising:

Each informational listing	1.25	1.50	1.75	2.00	3.00
Trade mark heading	1.75	2.00	2.50	3.00	4.00
Trade mark or trade name cross reference heading	.50	.65	.85	1.25	1.50
Trade mark or trade name cross reference listing	.50	.65	.85	1.25	1.50
Trade name listing	.50	.60	.75	1.00	1.25
Bold type listing	.40	.50	.60	.75	1.00
Regular type listing	.25	.25	.30	.35	.40
Alternate call number or cross reference listing	.25	.25	.30	.35	.40
Additional lines of information	.25	.25	.30	.35	.40

The directory advertising rates proposed by applicant for its Kenwood and Morgan Hill exchanges, rate group number one above, and for its Novato exchange, rate group number three above, are the same as those presently effective in these exchanges. With respect to its Los Gatos exchange, applicant proposes an increase in directory advertising rates from rate group number four to five above, commencing with the next issue of its Los Gatos directory scheduled on or about January 21, 1957. As of October 25, 1956, applicant reported its Los Gatos exchange served 7,535 telephone stations.

Applicant estimates that its proposed rates for directory advertising will increase annual charges to subscribers by \$8,600 after considering regrading at the higher rate levels and based upon the December, 1955, level of business.^{2/} Applicant further estimates that annual expenses associated with the publication of its directories will increase by \$4,900, leaving a net annual increase in revenues of \$3,700 before considering taxes on income.

As of September 30, 1956, applicant shows an investment in net telephone plant in service of some \$3,500,000. While 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, any net revenue, after expenses will reflect in the over-all net revenues of the applicant, which in the long run should result in lower exchange rates to the average subscriber.

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 this order, in conformity with General Order No. 96, Schedule No. D-1, Classified Telephone Directory Advertising Service, as set forth in

^{2/} Exhibit B of the application.

Exhibit A 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 its classified directories.

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

Dated at San Francisco, California, this 11th day of DECEMBER, 1956.

John L. Mitchell
 President

Paul H. Termer

Wm. J. ...

R. ...

C. ...
 Commissioners