

Decision No. 55174**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 discontinue the )  
 South Washington exchange and to )  
 establish a new exchange to be )  
 designated Dumbarton, comprised of )  
 the area now included in the South )  
 Washington exchange and the area to )  
 be included in the North Washington )  
 exchange. )

Application No. 39051

OPINION AND ORDER

By the above-entitled application filed on May 8, 1957, The Pacific Telephone and Telegraph Company seeks authorization pursuant to Section 454 of the Public Utilities Code to (1) discontinue its present South Washington exchange and cancel and withdraw the tariffs presently effective therein, (2) establish a new exchange to be known as Dumbarton to be comprised of the area now included in the South Washington exchange and that area which the Commission authorized in its Decision No. 54480 to be included in an exchange proposed to be designated North Washington, (3) to establish three district areas in the Dumbarton exchange to be designated Main, Greenleaf and Oliver with district area and base rate area boundaries as shown on Exhibit B attached to the application, (4) file and make effective exchange rates for the Oliver district area corresponding to those presently in effect in the South Washington exchange, (5) file and make effective exchange rates for the Main and Greenleaf district areas of Dumbarton exchange corresponding to those presently authorized to be established for the Main and Greenleaf district areas of the North Washington exchange except for extended residence four-party line flat rate service, (6) file and make effective a rate for extended

residence two-party line message rate service in the Main and Greenleaf district areas, (7) establish toll rate centers for the Main, Greenleaf and Oliver district areas of the Dumbarton exchange for measurement of interexchange mileages up to and including 40 miles therefrom, and (8) establish a toll rate center for the Dumbarton exchange for the measurement of interexchange rate mileage in excess of 40 miles.

Applicant's South Washington exchange was established September 18, 1955, under authorization of Decision No. 49755, dated March 9, 1954, as a consolidation of three smaller exchanges in southern Alameda County. The exchange proposed to be designated North Washington has not yet been established but was authorized to be established on or before December 31, 1958, by Decision No. 54480, dated February 5, 1957, in Application No. 38478. The applicant was authorized to include within its North Washington exchange five existing exchanges: Alvarado and Decoto exchanges to be included within the Greenleaf district area, and Centerville, Newark and Niles exchanges to be included within the Main district area. In the present proceeding, applicant desires authorization to consolidate its present South Washington exchange with its North Washington exchange into one exchange to be designated Dumbarton with three district areas designated Greenleaf, Main and Oliver. Greenleaf and Main district areas would encompass the areas authorized as Main and Greenleaf district areas of the authorized North Washington exchange and Oliver district area would encompass the area of the present South Washington exchange. A map of the proposed Dumbarton exchange is set forth in Exhibit B attached to the application.

It appears that this application is in accord with the views previously expressed in Decision No. 54480 wherein the Commission

stated in part, "In our opinion a further consolidation of exchanges in the general area of southern Alameda County may be desirable. It occurs to us that applicant's existing South Washington exchange might well be combined with the consolidation proposed in the instant application, as the Oliver district area of the new exchange. By so doing, the new exchange would consist of Main, Greenleaf and Oliver district areas of an exchange which would carry a name suitable to the overall area."

In Decision No. 54480 the Commission also concluded, "... that applicant's choices of names both for the proposed new exchange (North Washington) and for its existing South Washington exchange are unfortunate...In view of the opposition expressed at the hearing, applicant should review the situation and attempt to select a name or names more acceptable to persons in the area." Applicant alleges that its plan to designate the presently proposed exchange as Dumbarton was reviewed with representatives of various civic groups within the area and that all agreed that Dumbarton would be an acceptable name for the exchange.

Applicant proposes that exchange rates in Oliver district area will be the same as those presently effective in South Washington exchange and exchange rates in Main and Greenleaf district areas, with the exception of extended residence four-party line flat rate service, will be the same as those presently authorized for the Greenleaf and Main district areas of North Washington exchange.

Applicant proposes introduction of extended residence two-party line message rate service in lieu of extended residence four-party line flat rate service in the Greenleaf and Main district areas at the time of establishment of Dumbarton exchange. This service arrangement is presently in effect in South Washington exchange where

extended residence two-party line message rate service is offered at a monthly rate of \$3.00 which includes an allowance of 60-message units with a rate of 4.4 cents for each message unit over the allowance of 60. This rate was made effective August 19, 1956, pursuant to Decision No. 53245 in Application No. 38091. Under applicant's proposal the rates for this service in the Main and Greenleaf district areas would be the same as the rates now effective in South Washington exchange. The present rate for extended residence four-party line flat rate service, within the areas contemplated as Main and Greenleaf district areas, is \$3.20 per month.

Substitution of extended residence two-party line message rate service in lieu of extended residence four-party line flat rate service will result in increased charges to some subscribers and decreased charges to other subscribers, depending upon the subscribers' monthly message usage. Applicant estimates that in the aggregate its proposed service offering at the proposed rate will result in an overall decrease to subscribers amounting to approximately \$16,400 on an annual basis.

Within the Dumbarton exchange applicant proposes establishment of three separate toll rate centers for each of the three district areas to be used for measurement of interexchange rate mileage to other toll rate centers up to 40 miles distance.<sup>1/</sup>

For measurement of interexchange rate mileage beyond 40 miles, applicant proposes a single toll rate center for the entire Dumbarton exchange. Such toll rate center is proposed to be located at the same point as the present Centerville exchange toll rate center

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<sup>1/</sup> For the Main district area applicant proposes to use the present Centerville exchange toll rate center. For the Greenleaf district area applicant proposes to use the present Decoto exchange toll rate center, while for the Oliver district area applicant proposes to use the presently effective South Washington toll rate center.

and designated as Rate Block W8-f. Applicant states the establishment of this toll rate center will result in minor changes in message toll telephone rates to other toll rate centers more than 40 miles distance from the present South Washington rate center but estimates that the annual revenue effects of such changes will be negligible. Exhibit C attached to the application sets forth a list of differences in message toll telephone day station rates between proposed Dumbarton toll rate center and existing South Washington rate center to 40-representative California toll points. Of these 40 points it is noted that there will be an increase of five cents on initial period messages to nine of the points, a decrease of five cents to eight of the points, and no change in charges to the remaining 23 points.

Applicant states that establishment of the Dumbarton exchange as proposed in the application will simplify applicant's operations and enable it to meet future service requirements on the most economical basis. Applicant expresses the view that it can place the Dumbarton exchange in operation on or before December 31, 1958.

The Commission has considered this matter and is of the opinion that a public hearing thereon is not necessary and that a granting of the application as herein provided should improve 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 Dumbarton exchange, for the future will be unjust and unreasonable, therefore,

IT IS HEREBY ORDERED as follows:

1. Applicant, after the effective date of this order and on or before December 31, 1958, is authorized to establish a new exchange, designated as Dumbarton exchange, to be comprised of the

area now included in its South Washington exchange and the area which the Commission authorized by its Decision No. 54480 to be included in an exchange proposed to be designated North Washington, and to establish within such Dumbarton exchange three district areas to be designated Main, Greenleaf and Oliver with base rate and district area boundaries substantially as set forth on Exhibit B attached to the application.

2. Coincident with the establishment of Dumbarton exchange applicant may discontinue the present South Washington exchange and cancel and withdraw tariffs presently effective therein.

3. Coincident with the establishment of Dumbarton exchange applicant is further authorized (a) to make effective in the new Oliver district area the presently effective exchange rates and rules applicable in South Washington exchange, (b) to make effective exchange rates for the Main and Greenleaf district areas corresponding to those authorized by the Commission in Decision No. 54480 for the Main and Greenleaf district areas of North Washington exchange except for extended residence four-party line flat rate service, (c) make effective in the Main and Greenleaf district areas a rate for extended residence two-party line message rate service at the same level as is presently effective in South Washington exchange, (d) establish toll rate centers for the Main, Greenleaf and Oliver district areas of the Dumbarton exchange for measurement of interexchange rate mileages up to and including 40 miles as discussed herein, and (e) establish a toll rate center for Dumbarton exchange for measurement of interexchange rate mileage in excess of 40 miles corresponding to the present toll rate center for Centerville exchange and designated as Rate Block W8-f.

4. Necessary tariff filings including maps of the new exchange and its district and base rate area boundaries, in conformity with the provisions of General Order No. 96, shall be made on not less than ten days' notice to the Commission and to the public.

5. The authority granted herein will expire unless exercised on or before December 31, 1958.

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

Dated at Los Angeles, California, this 25<sup>th</sup> day of June, 1957.

Edwin E. Mitchell  
President  
Ray S. Vintermeier  
William J. ...  
B. Hardy

Commissioners