

Decision No. 55591**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 THE PACIFIC TELSPHONE AND TELEGRAPH)
 COMPANY, a corporation,)
 for authority to discontinue the Bodega) Application No. 39320
 exchange and toll rate center and to ex-)
 pand the present Valley Ford exchange)
 area to include therein the present)
 Bodega exchange.)

OPINION AND ORDER

The Pacific Telephone and Telegraph Company filed the above-entitled application on August 12, 1957, for authority to discontinue operation of its Bodega exchange, enlarge the area of its exchange at Valley Ford and furnish Valley Ford exchange service within the present Bodega exchange area, all in Sonoma County, California.

Bodega is located in the southwest portion of Sonoma County, approximately four miles northwest of Valley Ford. As of June 30, 1957, telephone development in the Bodega exchange consisted of 43 company and 3 service stations served by means of dial central office equipment.

Valley Ford is located approximately 17 miles southwest of Santa Rosa. A large dairy creamery is located in Valley Ford and principal activities in the community relate to the dairy industry. Dial service is provided in the Valley Ford exchange, and as of June 30, 1957, it served 61 company and 1 service station.

Coincident with the proposed discontinuance of the Bodega exchange, the applicant proposes to include within its Valley Ford exchange the territory now within its Bodega exchange and to enlarge its Valley Ford base rate area so as to include the territory now within the present Bodega base rate area, as indicated on Exhibit A attached to the application.

Exchange service rates in the Valley Ford and Bodega exchanges are at the same level. Accordingly, applicant's plan for consolidation will not result in any changes in exchange rates for subscribers in either exchange.

At the time of consolidation of the Bodega and Valley Ford exchanges, applicant proposes to discontinue the Bodega toll rate center, and all toll messages originating or terminating in Bodega would then be rated from Valley Ford. Since the application shows that Bodega and Valley Ford are located in the same rate block, there would be no increases or decreases in message toll telephone rates applicable between Bodega and rate centers over 40 miles distant. The initial period day station rate from Bodega to exchanges within 40 miles would increase by five cents to Annapolis and would decrease by five cents to: Corte Madera, Ignacio, Inverness, Mill Valley, Napa, Novato, Point Reyes, Sebastopol and Vallejo.

Also, under applicant's plan the present toll rate between Bodega and Valley Ford,^{1/} would be eliminated. The net result of these changes in toll rates, as estimated by applicant, is a reduction in toll revenues of approximately \$600 on an annual basis.

It is applicant's view that the consolidation of the two exchanges can be accomplished during the second quarter of 1959.

Applicant further estimates that the consolidation of the two exchanges, in lieu of replacing the Bodega dial equipment, will result in an annual cost saving of \$3,500, based on estimated development as of June 30, 1959.

The Commission has considered the above-entitled application 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 result

^{1/} The present initial period station toll rate between Bodega and Valley Ford is 10 cents.

in improved 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 consolidation of the Bodega and Valley Ford exchanges, for the future are unjust and unreasonable; therefore,

IT IS ORDERED as follows:

1. The Pacific Telephone and Telegraph Company is authorized on or before June 30, 1959, to discontinue its Bodega exchange, to cancel its rate schedules and map effective for telephone service in the Bodega exchange and, in lieu thereof, to include the Bodega exchange and base rate area within the Valley Ford exchange area and to provide the Valley Ford exchange service to the subscribers as mentioned above.
2. Necessary changes in tariff schedules in accordance with General Order No. 96 shall be filed not less than fifteen days prior to the discontinuance of the Bodega exchange and the coincident provision of Valley Ford exchange service.
3. The authority granted herein will expire unless exercised on or before June 30, 1959.

The authority granted herein will become effective twenty days after the date hereof.

Dated at Los Angeles, California, this 24th day of SEPTEMBER, 1957.

E. P. ...
 President

Paul ...

...

R. ...

E. ...
 Commissioners