

San Francisco City

Decision No. 55802

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation upon the Commission's own)	
motion to ascertain the present and)	
potential demands for and availability)	
of facilities for telephone service, and)	Case No. 5337
the need for and propriety of emergency)	
modification of current rules or practices))	
to facilitate the furnishing of telephone)	
service.)	

(Appearances are listed in Appendix C)

SIXTH INTERIM OPINION AND ORDER

Reason for this Interim Decision

In the third interim opinion and order in the above-entitled proceeding, ^{1/} the Commission found, after considering the evidence on the subject of line extension charges, that there were insufficient cost data in the record to enable it to prescribe an extension rule at that time. Each telephone utility in the State with annual operating revenues exceeding \$1,500 was required by paragraph 6 of the order to submit its views as to the length of the free footage allowance and line extension charge per 100 feet in excess of such free footage allowance, separately for base rate areas and suburban areas, that would permit the utility to make line extensions under normal conditions without burdening other customers. In addition, each respondent utility was required to submit representative cost data for extensions on its system covering various types of construction and representative percentage figures for determining annual costs and expenses on the specified construction or, in the event that the utility was unable to supply the specified data, each respondent was required to supply such cost data on extensions as

^{1/} Decision No. 53312, dated June 26, 1956.

it had available. The utilities were also required to furnish revenue experience on subscribers for various classes and grades of service and any other data which the utility deemed pertinent for the Commission to consider in this matter.

The Commission has considered the letter responses by utilities to Ordering Paragraph 6 of Decision No. 53312 and hereby makes them a part of the record in this proceeding. After considering the evidence, it now issues this opinion and order setting forth a uniform line extension schedule for the telephone utilities operating within the State of California.

Evidence of Record

Exhibits and testimony pertaining to the subject of line extension charges were presented at the public hearing held November 3, 1955, in San Francisco before Commissioner Peter E. Mitchell and Examiner M. W. Edwards. Chapter 2 of Exhibit No. 5 sets forth the staff's analysis and recommendations, including a sample tariff schedule. One large utility introduced Exhibit No. 9 which set forth that utility's view of a proper line extension schedule. Late-filed Exhibit No. 10 was presented on behalf of a number of independent telephone utilities and contained suggested changes in wording and intent of the sample tariff set forth in Exhibit No. 9.

Table 2-A of Exhibit No. 5 contains a summary of existing line extension schedules of the telephone utilities. There is a wide variation between companies as to the terms of line extension schedules. Most companies will construct, at their sole expense, any line extensions within the base rate area. A few utilities, however, have a limitation upon the free footage to be constructed within the base rate area. All utilities have a limitation on the free footage

within the suburban area with an allowance varying from 300 to 2,640 feet. The required payment beyond the free length varies from \$2 to \$10 per 100 feet, except that where "cost" is specified, the tariffs require an advance to cover the full cost of construction beyond the free length. Such advance, however, generally is refundable. Where the tariffs set forth a fixed payment per 100 feet, the charge is never refundable but generally is subject to recomputation if new subscribers are added to the line within three years.

Table 2-C of Exhibit No. 5 sets forth the staff's sample tariff which includes many of the conditions and practices now in effect on most of the utility systems. In preparing this sample tariff, an attempt was made to remove clauses difficult to interpret and to clarify conditions. The staff did not set forth a recommended charge or a recommended free footage in this exhibit.

One of the tariff conditions recommended by the staff in Table 2-C is that, when additional applicants are secured in a line extension project within three years from the date of original construction, a recomputation of total charges shall be made to determine the new applicants' line extension charge and there shall be made an adjustment of the charges previously paid by existing subscribers. Exhibit No. 9 set forth by the utility is, in general, similar to the staff's suggested schedule but provides that a recomputation of charges will be made only within a one-year period instead of within the three-year period as provided in existing tariffs and as suggested by the staff. Exhibit No. 9 also does not contain any recommendations on the amount of free footage or on the charge for extensions beyond the free footage.

Both Exhibit No. 5 and Exhibit No. 9 provide that line extension charges will not be applicable along existing telephone utility lines and that the distance of line extensions shall be measured from the existing telephone utility line. Exhibit No. 10 proposes alternate wording to Condition No. 1 of Exhibit No. 9. The purpose of this exhibit is to make line extension charges applicable when wire facility extensions are added along existing telephone lines. A representative for a number of utilities stated that certain utilities experience a continuing demand for long extensions of circuit facilities to serve one or two isolated subscribers and that, although in many of these cases the extension of wire facilities can be made along existing pole lines, the cost of the wire and its erection is disproportionately large in relation to the revenue that is derived from the service.

A desire was indicated by several utilities that any provisions concerning refunds of line extension charges in cases where a line extension is later used for toll facilities be excluded from the line extension tariff. Also, they desired exclusion of provisions concerning line extensions into real estate subdivisions.

The views set forth by the utilities on the matter of line extension charges follow:

Utility Views on Line Extension Charges

Of the respondents in this case, 29 presented their views on suggested rate treatment for line extension charges and 28 of these also presented information on their cost of construction. Eight of the responding utilities indicated being in favor of line extension charges applicable within the base rate area. The remaining 21 utilities indicated that no line extension charges should be applied within the base rate areas. Appendix A sets forth a

tabulation of these views on suggested rate treatment and also the experience of the various respondents with respect to construction cost per 100 feet of line.

Line Extensions Within Base Rate Area

Table 2-A of Exhibit 5 indicates that at present eight utilities within the State exact line extension charges within the base rate area. For most utilities, all extensions within the base rate area customarily have been constructed without charge to the customer. It is our view that within the more developed part of the community a utility dedicated to public service should hold itself out to establish service at its sole cost and that utilities presently requiring the payment of line extension charges within the base rate area should refile tariffs eliminating such charges.

Line Extensions Outside Base Rate Area

All telephone utilities having tariffs filed with this Commission have customarily provided for line extension charges to be applied beyond a certain free distance in the suburban area. Present schedules have a wide variation in the allowable free footage ranging from 300 feet to 2,640 feet (one-half mile) on public roads. Comparison of the responses in Appendix A with the present free footage provisions as shown in Table 2-A of Exhibit 5 indicates that the respondents generally have suggested free footage allowances within the same range presently on file. The arithmetical average of the various suggestions is 883 feet for extensions along public roads.

Most of the respondents did not differentiate between the free allowance to be constructed over private property as compared with free allowance on extensions constructed along public roads. Four of the utilities, however, favored no free extensions over

private property and others favored a lesser free extension over private property than along public roads.

Plm A reasonable line extension rule is one that will balance the interests of ~~investors in the telephone~~^{the} utility, present subscribers to the service, and the applicants for service. Inadequate line extension charges may result in reduced returns ~~for the in-~~^{Plm} ~~vestors~~ which ultimately may result in higher rates for the existing body of subscribers. On the other hand, excessive charges for construction of line extensions may result in unnecessary restriction of service and suppression of demand. We are of the view that a free footage construction of 1,000 feet will result in widespread development of telephone service without unduly burdening the general body of subscribers.

The order herein will require all telephone utilities, except those presently having a free footage allowance of more than 1,000 feet per applicant along public roads, to file a line extension schedule containing a 1,000-foot free allowance per applicant along public roads. Any telephone utility presently having a free footage allowance of more than 1,000 feet per applicant along public roads will not be authorized by the order herein to reduce its presently effective free footage allowance along public roads but may, if it desires, file an appropriate application with the Commission respecting the reasonableness of its free footage allowance.

Most line extensions located along public roads within suburban areas have at least the potentiality of providing telephone service for additional customers, and with the rapid population growth in rural areas many of the line extensions so constructed reasonably should have additional customers connected within the not-too-distant future. The situation is otherwise with respect to line extensions constructed over private property. In general, *Plm* there is ~~a~~ little potential for the connecting of additional customers. It is our view, therefore, that to allow a lesser free footage on private property than for extensions constructed along

public roads is reasonable. We are not, however, in accord with the views of the four utilities recommending no free construction on private property. Reducing such free footage to zero appears to be unnecessarily restrictive. We find that 300 feet is a reasonable free footage allowance to be applied to construction on private property by all telephone utilities offering exchange telephone service and we will so order.

Charge for Extension Beyond Free Allowance

Among the various utilities responding to the Commission's order there was a considerable variation in the suggested rate treatment for line extensions beyond the distance of the free footage allowance. Nine utilities suggested total actual cost treatment, one a 50 per cent of cost treatment, with the remaining ones suggesting various specified charges ranging between \$5 and \$30 per 100 feet. Various reasons were advanced by the utilities to justify the suggested charges.

Because of the continued growth of the State and the probability that almost any given line extension will have additional subscribers connected to it in the future, we do not favor burdening the normal applicant with charges designed to recover the full initial cost of the line.

After giving the matter careful consideration, we conclude that a charge of \$10 per 100 feet of line construction beyond the free allowance is a reasonable charge and that it represents a reasonable balance between the various interests concerned. Ten dollars per 100 feet represents a substantial increase to most of the utilities presently having line extension schedules on file.

Historically, most line extension schedules contain conditions to the effect that no charge will be applicable for line extensions along an existing pole line and, further, that the subscriber may furnish and set the required poles in lieu of paying

line extension charges. In our opinion, these are reasonable conditions and should be continued in all line extension schedules. However, the policy of no line extension charges along existing lines should apply only to those existing lines of the specific telephone utility constructing the line extension. Where extensions are established by means of joint occupancy of poles with power or communication circuits of other utilities, the same line extension charge should be applicable as when the utility must install new poles for the line extension. This should be applicable, however, only in those cases where the utility does not presently have any circuits over the specific portions of the joint occupancy lines referred to.

New Tariff Schedule

Attached hereto as Appendix B is set forth the tariff schedule which all utilities will be ordered to file. This schedule contains not only the rates and charges previously discussed but also contains revisions in wording and conditions when compared to schedules presently on file or the sample schedule set forth in Exhibit No. 5. Also, many utilities have on file both a line extension tariff schedule and a line extension rule. The new schedule is designed to cover the material presently contained in both tariff schedules and rules, and the present schedules and rules should be cancelled upon filing of the revised line extension schedule.

Findings and Conclusions

After considering the testimony presented at the hearing on November 3, 1955 and Exhibits Nos. 5, 9 and 10, and having concluded that additional cost data was necessary, many telephone utilities having furnished such cost data by letter responses and such letters having been declared part of the record herein, the

Commission finds and concludes that the public interest requires that a revised telephone line extension schedule be prescribed, that any increases in charges resulting from revisions in terms, rates and conditions are justified, and, that, insofar as new applicants for service are concerned, the present extension schedule and rules are unjust and unreasonable for the future; therefore,

IT IS HEREBY ORDERED that:

1. All telephone utilities offering public utility exchange telephone service shall, on or after the effective date of this order and before 90 days after the effective date of this order, file with this Commission a line extension schedule substantially in conformity with the schedule set forth in Appendix B attached to this decision in the manner prescribed by the Commission's General Order No. 96, except that any such telephone utility presently having on file with this Commission a line extension schedule providing for a free footage allowance along public roads of more than 1,000 feet per applicant shall so modify the schedule set forth in Appendix B as to provide a free footage allowance along public roads equal to its presently filed allowance.

2. Concurrently with the making effective of the new line extension schedule, the utilities shall cancel all presently effective line extension schedules and rules insofar as new applicants for service are concerned. Any prospective subscribers who

have pending applications not completed on the date the new schedule becomes effective, shall be given the option of the old or new schedule in obtaining service.

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

Dated at San Francisco, California, this 3rd day of December, 1957.

(John E. Hatchell)
 President

Paul L. ...

Mark ...

R. ...

E. Lyn Fox
 Commissioners

APPENDIX A

SUMMARY OF UTILITY RESPONSES TO COMMISSION
REQUEST FOR VIEWS ON LINE EXTENSION AND CONSTRUCTION
COSTS OF SINGLE PAIR POLE LINES

Company	Area	Pt.	Suggested Rate Treatment		Construction		
			Chg.in:	Suburban Area	Cost Per		
			Along Public Roads	Free Lgth.:	Chg.for	100 Ft.	
			Free Lgth.:	Chg.Per	on Priv.	Wire Ext.:	Poles, Arm:Poles
			100 Ft.	100 Ft.	Property?	Only?	and Wire :Alone :
Calif.-Interstate	No	a	\$ Cost ^c	Yes	No	\$54.01	\$37.33
Calif.-Oregon	No	750	Cost ^d	Yes	No	29.50	21.48
Calif.-Pacific	No	1,000	10.00 ^d	Yes	Yes	23.90	12.87
Cal. Wtr. & Tel.	No	b	Cost	Yes	No	42.04	31.44
Central Calif.	Yes	500	18.00	Yes	No	20.15 ^f	13.03
Citizens Utilities	Yes	300	30.00 ^d	Yes	Yes	31.52 ^f	23.45
Coachella Valley	No	750	Cost ^d	Yes	No	12.33	9.54
Colorado River	Yes	500	10.00	Yes	No	16.42	11.27
Delta	Yes	300	10.00	Yes	No	20.65 ^f	13.75
Dorris	No	2,640	5.00	No	No	7.57 ^f	-
Des Palms	No	2,640	29.00 ^d	Yes	No	10.55	7.61
Enterprise	No	1,000	Cost ^d	Yes	No	17.41	6.15
Evans	No	1,000	- ^d	Yes	Yes	22.01	11.73
Forresthill	No	750	Cost ^d	Yes	No	24.62	18.95
General	No	1,000	12.50 ^e	No	No	41.35	35.67
Gilroy	No	750	Cost ^d	Yes	No	19.73	14.05
Kerman	Yes	750	Cost ^d	Yes	No	10.18	5.38
Kern Mutual	Yes	500	26.00	Yes	No	27.31	16.97
Kernville	No	500	10.00	Yes	No	23.15	17.19
Livingston	No	750	10.00	Yes	No	-	-
Pacific	No	2,640	12.00	No	No	29.92 ^f	17.05
Roseville	Yes	750	10.00	Yes	No	45.83	36.93
Sanger	No	1,320	15.00	Yes	No	21.23	12.50
San Joaquin	Yes	100	Cost ^c	Yes	No	23.94	15.13
Sunland-Tujunga	No	500	50% Cost	Yes	No	63.96	47.72
Volcano	No	1,000	5.00	Yes	No	33.23	14.44
West Coast	No	300	15.00	No	No	45.47	33.65
West. California	No	500	10.00	Yes	No	53.27 ^g	43.88
West. Telephone	No	350	10.00	Yes	No	27.00	19.70
Average		883	13.57			28.51	20.33

- Notes:
- Average length of build for all subscribers.
 - 2½ times average exchange plant investment per subscriber.
 - Actual cost, no refund.
 - Refundable over five-year period.
 - Actual cost beyond one mile.
 - Open wire on brackets.
 - Using rural distribution wire.

APPENDIX B

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Schedule No.

LINE EXTENSION CHARGES

APPLICABILITY

Applicable to charges for line extensions.

TERRITORY

Within the exchange areas of all exchanges as said areas are defined on maps filed as part of the tariff schedules.

RATES

	<u>Charge</u>
1. Line Extensions and Additions within the Base Rate Area or Special Rate Area:	
Extensions and additions to plant necessary to provide telephone service	No Charge
2. Line Extensions and Additions in the Suburban Area:	
a. Additions to plant along existing exchange or toll telephone circuits of this utility, including poles and buried wire	No Charge
b. Extension to plant beyond existing exchange or toll circuits of this utility along public roads or on private property:	
(1) Free Footage Allowance:	
The utility will construct at its expense a maximum of 1,000 ft. of line extension per applicant of which not more than 300 feet of this free footage may be on private property or along private roads.	No Charge
(2) Extensions to plant exceeding free footage allowance:	
Each 100 feet or fraction thereof	\$10.00

(Continued)

APPENDIX B

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Schedule No.

LINE EXTENSION CHARGES

CONDITIONS

1. General:

- a. Line extensions consist of additions to plant beyond existing leads, and do not include additions to plant along existing telephone utility leads. Subscriber payments for line extension charges are applied to applicants with abnormally long extension requirements to prevent unreasonably burdening the general body of existing subscribers. All line extensions will be owned and maintained by the utility.
- b. Line Extension charges set forth in this schedule are applicable in connection with all classes, types and grades of service, except farmer line and toll station service, when established by means of an extension to the utility's plant consisting of "buried wire" or pole construction, including extensions by means of poles to be owned solely by the utility or jointly with others and by means of contacts or contact space on poles of others. No line extension charge is applicable to tree-contact type construction. The utility shall determine the type of construction to be used.
- c. In lieu of the charges otherwise applicable, the applicant, if he so elects, may, for the distance in excess of the free footage, initially clear the right of way, furnish and set the required poles in accordance with the normal construction standards of the utility. In all instances the ownership of facilities shall be entirely vested in the utility. Wherever the poles are provided and set by the subscriber, the necessary wires and fixtures will be provided and installed at the utility's expense without charge to the subscriber.

2. Location and Measurement of Line Extensions:

- a. The locations of line extensions are determined by the telephone utility and the distances (excluding drop wire) are measured along the route so selected.
- b. Where the proposed construction is over private property and forms a part of a route to be used for serving subscribers in general, or the construction is on private property in lieu of on public roads at the option of the utility, such

(Continued)

APPENDIX B

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Schedule No.

LINE EXTENSION CHARGES

CONDITIONS (Cont'd.)

construction shall be treated as being on public roads. Any construction to serve two or more customers is considered as being used for serving subscribers in general.

- c. The total extension to plant (along public roads or on private property) to be furnished without charge in the suburban area, shall not exceed 1,000 feet per applicant. Where the total extension exceeds 1,000 feet, the free footage allowance is first computed for the private property portion of the extension prior to computing any allowance for the construction along public roads.
3. Collective Application and Grouping of Applicants:
 - a. When construction is required to serve a new applicant, a survey is made of all prospects who might be served from the new construction or an extension thereof and who might benefit by being included in the project. Allowances are made only for those prospective subscribers making bona-fide applications for service.
 - b. All applicants are grouped in a single project when there is no more than one-half mile of construction between successive applicants. Separate projects are established whenever the construction between any two successive applicants exceeds one-half mile. Two or more projects are combined, however, whenever this results in lower charges (or no increase in charges) for all of the applicants involved.
 - c. An applicant at any premises receives only a single line extension allowance regardless of the number of services ordered at that premises.
 - d. Where an applicant orders service at more than one premises, he is treated as being a separate applicant at each premises for purposes of this schedule.
 4. Apportionment of Charges To Group of Applicants:
 - a. Applicants are divided into two groups. The first group includes all applicants whose collective allowance equals or

(Continued)

APPENDIX B

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Schedule No.

LINE EXTENSION CHARGES

CONDITIONS (cont'd.)

exceeds the construction required to serve them. No charge is made to such applicants. The second group includes all remaining applicants on the project. The over-all charge for the project is divided equally among all applicants in the second group.

b. Exceptions:

- (1) No applicant is required to pay a higher charge than he would if the project were established for him alone. Any difference between this charge and the average charge for the group is absorbed by the utility.
- (2) Charges for extensions to plant on private property are assumed by applicants on whose property such extensions are made and these charges are not included in the over-all charges for the project. Likewise, the free footage allowance on private property is not included in the collective allowance for the project.

5. Payment of Charges:

Line extension charges are payable in advance and, except as described Conditions 7, 10 and 11 below, are not refundable.

6. Charges to Subsequent Applicants:

- a. When a new applicant is secured who can be served from a completed project, within three years from the date service was initially established for such project, the charges for the entire project are recomputed to include the new applicant. The new applicant pays a prorate of the line extension charge based upon the number of months (a fraction of a month is counted as a full month) remaining in the original three-year term, the time to be computed from the date service is established for the new applicant.
- b. Where additional construction is required for an applicant to be served from a project less than 3 years old, the cost of the

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APPENDIX B

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Schedule No.

LINE EXTENSION CHARGES

CONDITIONS (Cont'd.)

project is recomputed as above if such recomputation does not increase the charges to those customers served from the existing project. Otherwise, a new project will be established.

7. Adjustment in Charges When Additional Applicants are Connected:

- a. When a project is refigured as described in Condition 6 above, existing subscribers will be refunded a prorate of the difference between the original charges and the refigured charges, based on the remainder of the three-year term. Recomputation of charges due to the addition of new applicants is made on the assumption that there have been no disconnects.
- b. In the event the utility attaches interexchange toll facilities to the line extension within the three-year period, the utility will refund a prorated amount to cover the unexpired portion of the line extension charges for that part of the line extension facilities so used.
- c. Where construction on private property is subsequently treated as being on public roads, or where a private road is dedicated to the public use, within three years of completion of the original project, the line extension charges shall be recomputed and refunds made to the initial applicants where applicable.

8. Disconnects:

When one or more subscribers on a project disconnect within the three-year term, no refund is made of the line extension charge to the disconnected subscribers. Charges to remaining subscribers are not affected by disconnects.

9. Re-Use of Facilities:

- a. When a subscriber disconnects service or moves off the project and service is established for a new applicant at the same location, any adjustment in charges is a matter for negotiation between the original subscriber and the new applicant.
- b. Where a subscriber is disconnected for any reason and subsequently reapplies for service from the same premises, the

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APPENDIX B

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Schedule No.

LINE EXTENSION CHARGES

CONDITIONS (Cont'd.)

subscriber will not be required to pay any additional line extension charges in addition to his total original obligation.

- c. Where a subscriber has paid line extension charges for service at a premises on a given project and subsequently applies for service at a different premises on the same project, the subscriber will not be assessed additional line extension charges greater than his original obligation unless additional construction is required.

10. Line Extensions into Real Estate Subdivisions:

- a. Line extensions into real estate subdivisions will be made by the utility, provided the estimated total cost of such extension is advanced to the utility by the subdivider. The amount so advanced will be refunded to the subdivider by payment of an amount equal to one year's exchange service charge for each service connected to such line extension within the subdivision during a period of five years from date of agreement. No refunds will be made on any service not retained by the same subscriber for 12 consecutive months. Refunds will be made at the end of the service year. This condition does not relieve the utility from otherwise providing service to bona fide applicants for service residing within the subdivision.
- b. Adjustment of any substantial difference between the estimated cost advanced by the subdivider and the reasonable actual cost shall be made within 60 days after completion of the extension.

11. Temporary or Speculative Service:

- a. Line extensions to provide service to an applicant engaged in temporary or speculative business will be made on the condition that applicant pays to the utility the total cost of the construction and removal of the line necessary in furnishing the service less the salvage value of the materials used.
- b. If a subscriber maintains for 36 consecutive months a service installation which was originally established on a temporary or speculative basis, and if his business or operation at the end of that time has proven its permanency to the satisfaction

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APPENDIX B

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Schedule No.

LINE EXTENSION CHARGES

CONDITIONS (Cont'd.)

of the utility, there will be refunded to the subscriber an amount equal to the difference between the payment made pursuant to Condition IIIa. above and the normal line extension charge which would have been applicable at the time the subscriber's service was installed.

- c. In no event shall service installation be classed as temporary or speculative for more than six years. Refund provisions of paragraph 11b. apply at the end of not more than six years.

12. Contracts:

Contracts, covering periods of not to exceed three years of telephone service, may be required by the utility as a condition precedent to establishment of the service when line extensions are necessary. Such contracts will not require advance or unusual payments in excess of those otherwise required by this schedule, and shall not interfere with the utility's right to collect amounts as provided for elsewhere in its tariff schedules.

13. Saving Clause:

Arrangements may be made, other than as provided for above in this schedule, in the following cases subject to prior authorization of the Public Utilities Commission of the State of California:

- a. Where the applicant requests a particular type of construction or a specific route for extensions to meet the applicant's special requirements and where the construction or route so requested differs from the normal standards of the utility and is not required by law.
- b. Line extensions involving underground crossings of railroads, highways or power lines, submarine cable or long river crossings.
- c. Any other line extensions involving unusual or disproportionately large construction expenditures as compared to the usual line extension.

14. Disputes:

In case of disagreement or dispute regarding the application of any provision of this rule, or in circumstances where the application of this rule appears impracticable or unjust to either party, the utility, applicant or applicants may refer the matter to the Public Utilities Commission for ruling.

APPENDIX C

LIST OF APPEARANCES

Respondents: The Pacific Telephone and Telegraph Company by Pillsbury, Madison & Sutro, Arthur T. George, and Francis N. Marshall; General Telephone Company of California, by Marshall K. Taylor; California Water & Telephone Company and West Coast Telephone Company of California, by Claude N. Rosenberg of Bacigalupi, Elkus & Salinger; McCloud Telephone Company, by Warren H. Saltzman of Littler, Lauritzen and Mendelson, and Neal C. Hasbrook; The Bigelow Telephone Company, California Interstate Telephone Company, California-Oregon Telephone Company, California-Pacific Utilities Company, Capay Valley Telephone System, Central California Telephone Company, Citizens Utilities Company of California, Coachella Valley Home Telephone and Telegraph Company, Colfax Telephone Exchange, Colorado River Telephone Company, Delta Telephone and Telegraph Company, Dorris Telephone Company, Dos Palos Telephone Company, Inc., Enterprise Telephone Company, Evans Telephone Company, Foresthill Telephone Exchange, Gilroy Telephone Company, Happy Valley Telephone Company, The Independent Telephone Company, Kern Mutual Telephone Company, Kennan Telephone Company, Kernville Telephone Company, Los Gatos Telephone Company, Mariposa County Telephone Company, Inc., McFarland Telephone Company, Roseville Telephone Company, Sanger Telephone Company, San Joaquin Telephone Company, Siskiyou Telephone Company, Sunland-Tujunga Telephone Company, Tuolumne Telephone Exchange, The Volcano Telephone Company, and The Western Telephone Company, by Neal C. Hasbrook; Petrolia Telephone Company, by Mrs. Langdon.

Interested Parties: City and County of San Francisco, by Dion R. Holm and Paul L. Beck; California Farm Bureau Federation, by Eldon N. Dye and J. J. Deuel; City of Los Angeles, by Roger Arnebergh, T. M. Chubb, M. Kroman, and R. W. Russell; California Independent Telephone Association, by Neal C. Hasbrook and Marshall K. Taylor; Telephone Industry Committee, by Marshall K. Taylor and Francis N. Marshall.

Commission Staff: Boris Lakusta and Charles W. Mors.

LIST OF WITNESSES

Evidence was presented on behalf of the Telephone Industry Committee, by Thomas A. Taylor, chairman, H. W. Holmwood, vice chairman, and Frank V. Rhodes and Russell J. Loveland, members.

Evidence was presented on behalf of the respondents, by Clifford F. Goode and H. L. Kertz of The Pacific Telephone and Telegraph Company; Ernest W. Watson of General Telephone Company of California; and Peter A. Nenzel of California Water & Telephone Company and West Coast Telephone Company of California.

Evidence was presented on behalf of interested parties, by J. J. Deuel of the California Farm Bureau Federation.

Evidence was presented on behalf of the Commission staff, by John E. Brown and M. E. Mezek.