

ORIGINAL

Decision No. 56111

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

California Farm Bureau Federation, a
corporation,)

Complainant,)

vs.)

Walter B. Greig and Thelma Greig, dba
White River Telephone Exchange,)

Defendants.)

Case No. 5968

Bert Buzzini, attorney-at-law, for California
Farm Bureau Federation, complainant.
Robert C. Natzke, attorney-at-law, for Walter B.
Greig and Thelma Greig, dba White River
Telephone Exchange, defendant.

O P I N I O N

On August 20, 1957, the California Farm Bureau Federation, complainant herein, filed its complaint against Walter B. Greig and Thelma Greig, dba White River Telephone Exchange, defendant herein, requesting the Commission to issue an order requiring the said defendants to furnish and maintain foreign exchange service to meet the needs of its patrons and the public. The complaint was not satisfied and no answer was filed by defendants.

Public hearing was held before Examiner Wilson E. Cline at Porterville on November 7, 1957. At the close of the hearing the matter was taken under submission.

Defendants operate a telephone company which serves the White River exchange area. Within the past three years defendants have constructed an 11-mile telephone line from the White River Telephone Exchange at White River to the Woody area where 10 customers are served at the present time. Defendants also have around 35

customers in the Glennville area which is connected to the White River Telephone Exchange at White River by a 15-mile line.

The majority of the people who live in Woody and Glennville must of necessity do a good deal of business in Bakersfield and many of their long distance calls are made to that city. Toll calls to Bakersfield traverse 24 miles of defendants' line from the White River Telephone Exchange at White River to Porterville, then go over the line of The Pacific Telephone and Telegraph Company, hereinafter referred to as Pacific, from Porterville to Visalia and thence on to Bakersfield.

The Bakersfield Exchange area of Pacific adjoins the White River Exchange area of defendants near Woody and Glennville. Just recently Pacific constructed the 40-mile Bakersfield-Granite Line which brings Pacific's service close to the exchange boundary of defendants at Woody and Glennville. This line has one physical channel with 12 subscriber carriers having a capacity of 120 phones. At the present time there are no more than 30 subscribers on this line.

Mrs. Hester N. Wilhite owns a ranch near Woody in the White River Exchange area and her sister owns a ranch 14 miles away in the Bakersfield Exchange area. They have a hired man who works on both ranches. Mrs. Wilhite resides in Bakersfield and also with her sister at Granite Station. Mrs. Wilhite is not a subscriber of defendants. However, on December 30, 1956, she wrote a letter to defendants asking if she could have foreign exchange service and requesting information as to the costs. The defendants informed Mrs. Wilhite that they did not wish to provide foreign exchange service with the Bakersfield Exchange and refused to do so.

Meetings have been held by the subscribers to defendants' telephone service in Woody and Glennville. Defendants have been advised that if Bakersfield foreign exchange service is furnished to Mrs. Wilhite that the other subscribers in Woody and Glennville will request that Bakersfield foreign exchange service also be furnished to them.

Two of defendants' largest subscribers from the standpoint of the number of calls made testified on behalf of defendants. They testified that defendants' telephone service is very satisfactory. They both are concerned with the defendants' primary service and share defendants' fears that if Bakersfield foreign exchange service is offered so many subscribers will want that service that defendants will not have enough primary service subscribers in Woody and Glennville to support that service. Defendants themselves are also concerned with the prospective reduction in toll charges which will result from the offering of Bakersfield foreign exchange service.

Complainant called the Principal Utilities Engineer in charge of the Telephone and Telegraph Branch of the Commission as a witness. This engineer referred to several decisions of this Commission requiring various telephone utilities to offer foreign exchange service to meet the requirements, needs and convenience of particular telephone users. In addition to Pacific, 24 independent telephone companies have foreign exchange rates on file with the Commission involving many hundreds of foreign exchange routes and thousands of stations. Exhibits Nos. 1 and 2 were introduced in evidence through this witness.

Exhibit No. 1 is a possible foreign exchange tariff schedule relating to Bakersfield residence suburban 10-party line service to be offered in the White River Exchange. The rate is in two parts: a rate of \$4.05 per month for each residence 10-party

line primary station and a foreign exchange mileage rate of \$1 per month for each one quarter mile or fraction thereof. The \$4.05 rate is made up of the Bakersfield residence suburban rate of \$3.70 per month plus an additional directory listing charge of 35 cents per month. The foreign exchange mileage would be measured from the subscriber's station to the nearest point on the exchange boundary between the White River and Bakersfield exchanges. The conditions and rates are those generally on file by other telephone utilities in California.

Exhibit No. 2 is a copy of a letter of agreement between Pacific and Sanger Telephone Company. It is typical of the contracts relating to the provision of foreign exchange service which have been negotiated between Pacific and a number of independent telephone companies in California.

Upon consideration of the record in this proceeding we find and conclude that the establishment of Bakersfield foreign exchange service by defendants is required by public convenience and necessity and is necessary to promote the safety, health, comfort and convenience of its subscribers and the public. In order to protect the local service subscribers and the defendants, defendants will be ordered to offer Bakersfield foreign exchange service only to subscribers who also take local service.

O R D E R

The above-entitled complaint having been considered, a public hearing having been held, the matter having been submitted and now being ready for decision,

IT IS HEREBY ORDERED that:

1. Walter B. Greig and Thelma Greig, doing business as White River Telephone Exchange, defendants herein, shall file and publish,

in accordance with General Order No. 96, rates and conditions for Bakersfield foreign exchange service within the suburban area of the White River exchange area, as set forth in Exhibit A attached hereto.

2. Said defendant shall, after not less than five days' notice to the Commission and to the public make said rates and conditions effective on and after April 1, 1958, for bills covering service furnished on and after April 1, 1958.

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

Dated at San Francisco, California, this 21st day of January, 1958.

[Signature]
 President

[Signature]

[Signature]

[Signature]

[Signature]
 Commissioners

APPENDIX A
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Schedule No. A-17

FOREIGN EXCHANGE SERVICE

APPLICABILITY

Applicable to residence suburban foreign exchange service.

TERRITORY

Within the suburban area of the White River exchange area as said area is defined on the map filed as part of the tariff schedules.

RATES

Rate per Month
Handset, Desk or Wall Set Station

(1) Primary Service:

Foreign Exchange

Bakersfield residence local flat rate
Each suburban 10-party line primary station \$4.05

Rate per Month
Each One-Quarter Mile
Or Fraction Thereof

(2) Foreign Exchange Mileage Rates:

Within the White River exchange area
Each suburban 10-party line residence
primary station \$1.00

SPECIAL CONDITIONS

1. The above rates comprehend service, without additional charge, to all stations receiving service from the exchange from which the foreign exchange service is furnished. The toll rates applicable in connection with toll service over foreign exchange lines will be in accordance with the toll tariff provision of the foreign exchange.

2. The above White River foreign exchange mileage rates are applicable to the air-line distance between the subscriber's primary station and the nearest point on the common boundary of the foreign and local exchange.

APPENDIX A
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Schedule No. A-17

FOREIGN EXCHANGE SERVICE

SPECIAL CONDITIONS—Contd.

3. Foreign exchange service will be furnished subject to the same conditions as to the use of the service by others than the subscribers or his representatives which are applicable in connection with other classifications of subscriber's telephone service.

4. Extension stations without bells will be installed, in connection with suburban line residence service only on the premises on which the primary station is located.

5. The tariff provisions of the White River exchange applicable to extension stations, move and change charges, service connection charges and supplemental equipment will apply in connection with foreign exchange service furnished under this schedule.

6. Subscribers to foreign exchange service under this schedule are required to take service of the exchange from which local service normally would be rendered on the premises on which foreign exchange service is furnished.

7. Except as otherwise provided in this schedule, services furnished in the White River exchange will be available in connection with foreign exchange service in accordance with the tariff provisions of the White River exchange for the particular classification of service furnished.

8. Additional listings and lines of information will be furnished to foreign exchange subscribers in local or foreign directories in accordance with the tariff provisions in effect for the directory containing the additional listing or line of information.

9. A suburban line station shall not be located within the base rate area.

10. Joint user service will not be permitted in connection with foreign exchange service.

Schedule No. A-17

FOREIGN EXCHANGE SERVICE

SPECIAL CONDITIONS---Contd.

11. A directory listing in connection with foreign exchange service is provided in the directory for the foreign exchange without additional charge. In addition, subscribers are also provided with the same directory listing in the alphabetical section of the local directory without additional charge in connection with foreign exchange service for each foreign exchange primary station.

12. "Local Exchange" means the exchange in which the primary station is located and "Foreign Exchange" means the exchange from which the service is rendered.