

Decision No. 57667**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 WEST COAST TELEPHONE COMPANY of) Application No. 39988
 California to increase its rates)
 and charges for telephone service.)

Appearances and Witnesses
 are listed in Appendix B

O P I N I O NApplicant's Request

West Coast Telephone Company of California, engaged in the business of a public utility rendering telephone and telegraph communication service in portions of Humboldt and Del Norte Counties, filed the above-entitled application on April 10, 1958, requesting authority to make effective the rates and charges set forth in Exhibit "B" attached to the application. Applicant estimates that such rates would result in an increase of \$91,880 or 16.1 per cent on the estimated 1958 revenue of \$569,700 at present rate levels. On July 15, 1958, applicant submitted Exhibit No. 2 wherein it estimates that its proposed rates, plus increases in toll settlements from The Pacific Telephone and Telegraph Company, will result in an increase of \$106,950 or 17.5 per cent on the estimated revenue of \$608,110 for 1958 after adjustment for the new full-year toll settlement basis.

Public Hearing

After due notice, public hearing upon this application was held before Examiner M. W. Edwards at the following times and places: July 14, 1958 and July 15, 1958 at Crescent City and September 15, 1958 at San Francisco. Applicant presented seven exhibits

and testimony by three witnesses in support of its application. The Commission staff made an independent investigation of applicant's operations, presented two exhibits and testimony by two witnesses, and cross-examined applicant's witnesses for the purpose of developing a full record to aid the Commission in deciding this request. The California Farm Bureau Federation took an active part in the proceeding through cross-examination of witnesses and made a statement of position.

The Del Norte County Chamber of Commerce on July 14 entered a resolution into the record in opposition to the proposed increase on the basis that it is not commensurate with past or anticipated quality of service. In addition, a number of persons, mainly from the Smith River area, entered protests into the record regarding the proposed rate increases on the basis of inferior service.

Applicant's Operations

Applicant is a wholly owned subsidiary of West Coast Telephone Company with headquarters at Everett, Washington. Applicant's telephone system furnishes exchange telephone service in Crescent City, Smith River, Klamath, Orick, and contiguous territories in Del Norte and Humboldt Counties. Toll telephone service is furnished over the applicant's toll lines and through connection with facilities of The Pacific Telephone and Telegraph Company and the West Coast Telephone Company which operates in Oregon and Washington. Crescent City is the principal exchange. Now it is served by a manual switchboard, but applicant plans to convert to dial service in Crescent City in February, 1959. Also, Crescent City serves as the operator office for unattended dial units at Smith River and Klamath. Orick is operated as an unattended dial unit with operator services at The Pacific Telephone and Telegraph Company's Eureka office.

As of December 31, 1957, there were 67 employees on the applicant's payroll and 4,082 stations were being served, segregated as follows:

Crescent City	3,268
Klamath	310
Smith River	303
Orick	201
Total	<u>4,082</u>

Subscriber billing and all accounting is performed for the applicant by the Accounting Department of the West Coast Telephone Company at Everett, Washington.

Applicant's Position

Applicant refers to the fact that its existing rates and charges were established and authorized by Decision No. 47427, Application No. 33119, dated June 30, 1952, of this Commission and represents that since that time its wage and salary expenses have risen substantially each year and ad valorem taxes on its properties have shown substantial increases. Applicant admits that its telephone stations in service have more than doubled since the year 1952, but even with the increased revenues it estimates that it will not earn a rate of return as high as the 6.02 per cent authorized in 1952. In fact, applicant represents that its combined intrastate and interstate operations for the year 1958 under present rates and charges will produce only 3.94 per cent.

Applicant's studies show the following earnings trend as reflected by its rate of return from both intrastate and interstate telephone operations:

<u>Year</u>		<u>Rate of Return</u>
1957	Recorded	3.99%
1957	Adjusted	4.06
1958	Estimated (Present Rates)	3.94
1958	Estimated (Proposed Rates)	6.63
1959	Estimated (Present Rates)	4.30
1959	Estimated (Proposed Rates)	6.29

Earnings Comparison for 1958

A comparison of the revenues, expenses, rate base and rate of return computed by applicant and the staff for the year 1958 under present rates and under the rates proposed by applicant is set forth in the tabulation following:

Item	<u>Applicant Exhibit No. 2</u>			<u>Staff Exhibit No. 8</u>		
	<u>Total Company</u>	<u>Exchange Plus Intra-company Toll</u>	<u>Inter-changed Interstate and Intrastate</u>	<u>Total Company</u>	<u>Exchange Plus Intra-company Toll</u>	<u>Inter-changed Interstate and Intrastate</u>
<u>Under Present Rates</u>						
Revenues	\$ 608,110	\$279,490	\$328,620	\$ 657,260	\$280,020	\$377,240
Expenses & Taxes	542,140	260,050	282,090	561,110	250,970	310,140
Net Revenue	65,970	19,440	46,530	96,150	29,050	67,100
Rate Base	1,672,660	748,300	924,360	1,575,000	703,630	871,370
Rate of Return	3.94%	2.60%	5.03%	6.10%	4.13%	7.70%
<u>Under Applicant's Proposed Rates</u>						
Revenues	\$ 706,550	\$370,990	\$335,560	\$ 765,130	\$387,890	\$377,240
Expenses & Taxes	595,670	310,080	285,590	619,720	309,580	310,140
Net Revenue	110,880	60,910	49,970	145,410	78,310	67,100
Rate Base	1,672,660	748,300	924,360	1,575,000	703,630	871,370
Rate of Return	6.63%	8.14%	5.41%	9.23%	11.13%	7.70%

Applicant in this proceeding is seeking increases in its rates for local exchange and intracompany toll services. In addition to such services, applicant also provides interchanged toll services with The Pacific Telephone and Telegraph Company and with the West Coast Telephone Company of Everett, Washington. Such interchanged toll operations relate both to interstate and to intrastate toll services.

Interchanged Interstate Toll Service

Applicant's interchanged interstate toll service is outside and beyond the scope of this Commission's jurisdiction. If any deficiencies in earnings exist in applicant's interchanged interstate toll operations, applicant immediately should take steps to remedy such situation with the proper regulatory authority or through

renegotiation of settlement contracts with its parent company or with The Pacific Telephone and Telegraph Company in the interest of maintaining its financial integrity. Such action would be in harmony with the following statement appearing on page 5 of the application: "Applicant will supplement the deficiency of revenues necessary to produce for applicant a rate of return of 7 per cent with the message toll revenues derived from a revision of its settlement with its parent company."

Interchanged California Intrastate Toll Service.

Applicant's interchanged California intrastate toll service is furnished at rates filed with the Commission by The Pacific Telephone and Telegraph Company. The Commission in its Decision No. 56652 dated May 6, 1958, among other things, increased toll rates generally throughout California effective June 1, 1958 and stated that a rate of return of 7.7 per cent would result from such business. Said Decision also stated, in part, "Applicant (Pacific Telephone) is the tariff filing utility for toll service generally throughout the state and accordingly has the obligation and responsibility of seeing that each of the connecting independent telephone companies receives its costs and a fair return on the plant devoted to the service." In view of the action taken in said decision, of which we take official notice, we find that applicant is entitled to receive its costs including a fair rate of return on its plant devoted to interchanged intrastate toll operations. If any deficiencies exist in applicant's earnings from its interchanged California intrastate toll service, applicant should take immediate steps to renegotiate its settlement contracts to remedy any such deficiencies in earnings on such operations.

In accordance with the provisions of Section 766 of the Public Utilities Code, if the utilities do not agree upon the division between them of joint charges, this Commission, after hearing, may establish such division by order.

Local Exchange and Intracompany Toll Operations

There remains applicant's local exchange and intracompany toll operations to analyze to determine applicant's need and justification for rate increases. Both applicant and the Commission staff presented evidence on earnings of applicant's exchange and intracompany toll operations which under present rates may be summarized as follows:

Summary of Exchange and Intracompany
Toll Earnings - Year 1958

<u>Item</u>	<u>Applicant Exch. No. 2</u>	<u>Staff Exch. No. 8</u>	<u>Adopted Results</u>
<u>Revenues</u>			
Local Service	\$228,760	\$228,400	\$
Toll Service	35,070	35,970	
Miscellaneous	18,160	18,160	
Uncollectibles	(2,500)	(2,510)	
Total Revenues	<u>279,490</u>	<u>280,020</u>	<u>280,020</u>
<u>Expenses</u>			
Operating and Maintenance	176,920	166,300	166,300
Depreciation	40,380	38,760	38,760
Taxes - Other than Income	28,780	28,080	28,080
Income Taxes	13,970	17,830	17,230
Total Expenses	<u>260,050</u>	<u>250,970</u>	<u>250,370</u>
Net Revenue	19,440	29,050	29,650
Rate Base (Depreciated)	748,300	703,630	703,630
Rate of Return	2.60%	4.13%	4.21%

(Red Figure)

The adopted results which the Commission will use to test the validity of applicant's request also are shown in the above tabulation.

Revenues

The staff's 1958 revenue estimate for local exchange and intracompany toll service is \$530, or 0.2 per cent, higher than applicant's estimate. The applicant took no exception to the staff's estimates for these services in its closing statement. Accordingly, we adopt as reasonable an amount of \$280,020 for 1958 local exchange and intracompany toll revenues under present rates.

Expenses (Other Than Income Taxes)

The staff's operating and maintenance expenses are \$10,620 lower than applicant's; the staff's depreciation expenses are \$1,620 lower than applicant's; and the staff's taxes, other than income, are \$700 lower than applicant's. The total of these three items indicates that the staff's estimate is \$12,940 lower than applicant's. This difference results primarily from the fact that the staff excluded from these expenses certain nonrecurring dial conversion expenses which applicant included in its estimate. Applicant did not contest the staff's expense estimate in its closing statement. We find the staff's estimates for operating and maintenance expenses, depreciation, and taxes other than income, are reasonable and adopt them for rate-making purposes.

Taxes, Income

State corporation franchise tax and federal income tax amounts vary depending on the level of net income. In the adopted 1958 test year results, these amounts have been computed on the basis of a 4 per cent level for the state corporation franchise tax and a 52 per cent level for the federal income tax, assuming straight-line tax depreciation accounting.

For the years 1954-56 the applicant's federal income taxes were determined using the double-rate declining balance method to compute accelerated depreciation, but applicant reverted to the

straight-line depreciation tax accounting for 1957 and apparently plans to use such method in the future. As of December 31, 1957 applicant had accumulated a reserve for deferred taxes of \$21,829 and applicant expected such reserve to approximate \$20,000 as of the end of 1958.

The question as to what rate treatment should be accorded to accelerated depreciation tax accruals and reserves for deferred taxes is being investigated by the Commission under Case No. 6148. Until such case is decided, applicant shall advise this Commission as to its election for the 1958 and 1959 tax years within thirty days after the effective date of this order and yearly thereafter by January 1 of each year until a final decision of this Commission in Case No. 6148, and the Commission will promptly move to adjust the rates herein authorized in such manner as may be found appropriate. For the purposes of this decision only, pending final decision by this Commission on the treatment to be accorded accelerated depreciation for rate-making purposes, the tax expense for rate-making purposes herein will be determined after crediting to the Federal Income Tax Account interest calculated on the reserve for income taxes at the rate of return on applicant's rate base herein adopted. Since approximately 45 per cent of this reserve of about \$21,000 average for 1958 is chargeable to applicant's local exchange and intracompany toll operations, the interest credit in this proceeding will be \$600 to the staff's estimate, leaving a figure of \$17,230 which we adopt as reasonable.

Rate Base

The staff's estimated 1958 rate base for local exchange and intracompany toll service is \$44,670, or 6.0 per cent, less than applicant's. This difference results primarily from the staff's use of six months' recorded fixed capital, plus six months' estimated additions, excluding items applicable to the dial conversion,

while applicant's 1958 estimated plant additions include dial conversion items. Inasmuch as both the staff's and applicant's 1958 estimates are based on manual operation at Crescent City, the staff's exclusion of dial conversion plant additions is proper. We adopt as reasonable the staff's rate base of \$703,630 for the test year 1958 for local exchange and intracompany toll service.

Rate of Return

Upon a careful consideration of the evidence before us, we are of the opinion and find that a rate of return of 6.50 per cent on applicant's local exchange and intracompany toll operations is fair and reasonable based on the estimated year 1958. When a rate of return of 6.50 per cent is applied to the depreciated rate base of \$703,630 hereinbefore found reasonable for applicant's local exchange and intracompany toll operations, an increase in annual gross revenues of \$35,400 is found to be required. This increase is approximately 40 per cent of the increase in revenues requested by applicant.

Spread of Rates

The Commission has considered the evidence in this proceeding and will spread the increased revenue of \$35,400 as set forth below.

Intracompany Toll Rates

Applicant proposed to increase intracompany toll rates by shortening the mileage steps and increasing the rates to a level above those authorized for intrastate toll routes of The Pacific Telephone and Telegraph Company in Decision No. 56652, dated May 6, 1958, in Application No. 39309. We find it to be fair and reasonable to increase the intracompany toll rates to the level of those authorized in said Decision No. 56652, which we find will result in an increase in annual revenue of \$7,500 for applicant.

Service Connection and Move and Change Charges

Applicant proposed to increase service connection and move and change charges by amounts which it is estimated will increase annual revenues by \$3,400. In view of the increases in cost and the fact that the proposed level of rates corresponds with that generally in effect elsewhere in California, the increases appear fair and reasonable and the order herein will authorize the requested rates and changes.

Withdrawal of Four-Party Business Service

Applicant agreed to withdraw the offering of four-party business service in the Crescent City exchange and provide business one-party or two-party service in lieu thereof in the interest of improving service. There were 98 subscribers to this service at the end of 1957. The order herein will provide for the upgrading of all such services by December 31, 1959.

Withdrawal of Telegraph Service

Applicant requested authority to withdraw the offering of telegraph service, claiming that it had not actually transmitted any telegrams at its effective tariff rates for a number of years. Telegraph service is being rendered to the area by The Western Union Telegraph Company. Accordingly, the order herein will provide for withdrawal of applicant's telegraph service.

Farmer Line Service

Withdrawal of rates for farmer line service will be authorized since applicant presently has no subscribers to such service nor is there any apparent future requirement.

Base Rate Areas

Applicant did not take exception to the staff recommendation to expand the Crescent City, Smith River and Orick base rate

areas as set forth in Charts 1-A, 1-B and 1-C, respectively, in Exhibit No. 8. It appears that these base rate areas should be expanded and the order herein will so provide. The estimated annual revenue required to offset the decrease in revenue and increase in investments resulting from such base rate area expansions is \$2,400. For the future applicant should make periodic reviews of its base rate areas and file for expansion of such base rate areas whenever and wherever the need therefor becomes apparent.

Miscellaneous Exchange Rates

Applicant also requested increases in a number of rates and charges for miscellaneous exchange services. The increases in rates for these services as authorized herein will produce additional gross revenues of \$4,500.

Basic Exchange Rates

Applicant requested increases in basic exchange rates by varying amounts ranging up to a maximum of \$8.00 per month for private branch exchange trunks in Crescent City. We find that an increase of \$22,400 is justified at this time, to be developed from the following increases in monthly exchange rates:

	Monthly Exchange Rates				
	Company Proposed		All Exchanges		
	Crescent City	All Other Exchanges	Present	Authorized	Increase
<u>Business Service</u>					
One-Party	\$13.00	\$ 9.50	\$ 7.75	\$ 9.25	\$1.50
Two-Party	9.95	7.95	6.50	7.75	1.25
Four-Party ^a	7.70	-	5.50 ^a	6.75 ^a	1.25 ^a
Suburban	7.70	6.85	5.75	6.75	1.00
PBX Trunk	19.50	14.25	11.50	13.75	2.25
<u>Residence Service</u>					
One-Party	7.50	6.55	4.75	5.25	.50
Four-Party	4.65	4.30	3.25	3.55	.30
Suburban	4.65	4.30	3.50	3.80	.30

a. Rate for business four-party service is offered only in Crescent City exchange and is to be withdrawn as facilities are available to upgrade the service, but no later than December 31, 1959.

Summary

The rate increases authorized may be summarized as follows:

<u>Category</u>	<u>Annual Increase</u>
Intracompany toll rates	\$ 7,500
Service connection and move and change charges	3,400
Base rate areas	(2,400)
Miscellaneous exchange rates	4,500
Basic exchange rates	22,400
Total	<u>\$35,400</u>

(Red Figure)

Depreciation Accruals

Applicant by Decision No. 47427, dated January 30, 1952, in Application No. 33119 was directed to review annually on a straight-line remaining life basis its accruals to the depreciation reserve and submit such reviews to the Commission. Such annual reviews are to be submitted promptly to the Commission upon completion.

Service Matters

Applicant presently provides fully selective ringing on party lines including ten-party lines. Originally, applicant proposed at the time of dial conversion at Crescent City to provide semi-selective ringing on ten-party lines. However, at the hearing on September 15, 1958, applicant's witness testified that the company would use fully selective harmonic ringing on ten-party lines following dial conversion at Crescent City, but that if subscribers complained of noisy suburban lines that could not otherwise be corrected, semi-selective harmonic ringing would be used. Applicant will be required by the order herein to seek and obtain Commission authorization to provide other than fully selective ringing in each instance.

Under applicant's present and herein authorized tariff schedules the rate for residence four-party line service furnished outside the base rate area but within one-quarter mile thereof is no

higher than the rate for residence suburban ten-party line service. Applicant has a responsibility under its Rule 12 to inform customers and prospective customers of this fact. In the interest of reducing the average number of primary stations per line and thereby improving service the order herein will require that quarterly reports be filed with the Commission until all residence ten-party services within one-quarter mile of the base rate areas as expanded are furnished with residence four-party service or the subscriber elects to take other grades of service.

Service problems and deficiencies were called to the Commission's attention by a number of subscribers in the area who appeared and presented testimony. The individual complaints were investigated by applicant at the direction of the presiding examiner. Exhibit No. 3 filed in this proceeding summarizes the results of such investigations. The imminent conversion of Crescent City to dial operation, the base rate area expansions, reduction in primary stations per line as discussed above and ordered hereinafter shall all tend to improve the quality of applicant's service.

Findings and Conclusions

The Commission has carefully weighed all of the evidence of record and has considered the statements of the parties with equal care. The findings hereinabove set forth produce an over-all result which we find to be fair and reasonable and in the public interest.

Further, we hereby find as a fact:

1. That the increases in rates and charges authorized herein are justified;
2. That present rates insofar as they differ from those herein prescribed, for the future are unjust and unreasonable;
3. That an order should be issued increasing the rates in the manner heretofore discussed and as provided by Appendix A attached hereto.

O R D E R

West Coast Telephone Company of California having applied to this Commission for an order authorizing increases in rates and charges for telephone service, public hearings having been held, the matter having been submitted and now being ready for decision; therefore,

IT IS ORDERED that:

1. Applicant is authorized and directed to file in quadruplicate with the Commission, on or after the effective date of this order and in conformity with the provisions of General Order No. 96, revised tariff schedules with rates, charges and conditions modified as set forth in Appendix A attached hereto, and, on not less than five days' notice to the public and to this Commission, to make said revised tariffs effective for all service furnished on and after January 1, 1959, excepting that increases in installation, service connection, and move and change charges shall be made effective on applications received by the utility on and after January 1, 1959.

2. Upon conversion of the Crescent City exchange to dial operation, applicant shall continue to provide fully selective ringing on all party lines. If for any reason, applicant should desire to provide other than fully selective ringing on any of its party lines in any exchange it should make appropriate application to the Commission setting forth fully the justification therefor and obtain Commission authorization in each such instance prior to providing other than fully selective ringing on the party lines.

3. Within thirty days after the effective date of this order applicant shall notify in writing each residence ten-party line primary service within one-quarter mile of the base rate areas, as expanded, of the offering by applicant of residence four-party line

service at the same rate as residence ten-party line service, and afford each such residence service the election of residence four-party service or other grades of service. Beginning March 31, 1959, applicant shall file quarterly reports with the Commission listing each residence ten-party line primary service customer within one-quarter mile of the base rate areas as expanded who has elected to take residence four-party line or other higher grades of service and who is still waiting on that date to receive such higher grade service. Such quarterly reports shall terminate when all such residence ten-party primary service customers have been provided with the service they elected.

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

Dated at San Francisco, California, this 2nd day of December, 1958.

E. L. Fox
President
W. J. ...
Ray ...
...
Commissioners

Commissioner Theodoro H. Jenner, being necessarily absent, did not participate in the disposition of this proceeding.

RATES

The presently effective rates, charges and conditions are changed as set forth in this appendix.

Base Rate Area Maps

Expand the Crescent City, Smith River and Orick base rate areas substantially as set forth on Charts 1A, 1B and 1C, respectively, in Exhibit No. 8.

Schedule No. A-1
Individual Line and Party Line Service

RATES

	<u>Rate Per Month</u> <u>All Exchanges</u>
Each Primary Station	
Business Service	
Individual Line	\$9.25
Two-Party Line	7.75
Four-Party Line	6.75
Residence Line	
Individual Line	5.25
Four-Party Line	3.55

Add the following condition:

The rates and conditions set forth in this schedule for business four-party line service apply only to services established or applied for prior to January 1, 1959 and furnished to the same premises. Supersedures of service are permitted under this condition. Business four-party line services will be regraded as facilities become available, to one- or two-party line service as requested by the subscriber. Business four-party line service will not be offered after December 31, 1959.

Schedule No. A-2.
Suburban Service

RATES

	<u>Rate Per Month</u> <u>All Exchanges</u>
Each Primary Station	
Business Service	\$6.75
Residence Service	3.80

Schedule No. A-3
Farmer Line Service

The offering of business and residence farmer line service is authorized to be withdrawn.

APPENDIX A
Page 2 of 4

Schedule No. A-4
Mileage Rates

Increases in mileage rates set forth on page 40 of Exhibit No. 1 are authorized, except that the increase in mileage rate for four-party line primary station is not authorized.

Schedule No. A-5
Local Private Line Telephone Service

RATES

	<u>Rate Per Month</u>
Station Equipment	
Each Telephone	\$1.75
Installation Charge	
Each Business Station	\$7.00
Each Residence Station	5.00

The charge for battery renewals is to be withdrawn, such battery renewals are to be made by the company without charge.

Schedule No. A-6
Service Connection Charges

Increases in service connection charges set forth on page 43 of Exhibit No. 1 are authorized.

Schedule No. A-7
Move and Change Charges

Increases in move and change charges set forth on page 43 of Exhibit No. 1 are authorized.

Schedule No. A-8
Private Branch Exchange Service

RATES

	<u>Rate Per Month</u> <u>All Exchanges</u>
Trunks	
Each PBX Trunk	\$13.75

Increases in monthly rates and installation charges for PBX switchboards set forth on pages 40 and 42 of Exhibit No. 1 are authorized.

Schedule No. A-9
Directory Listings

Increases in directory listing rates set forth on page 41 of Exhibit No. 1 are authorized.

Schedule No. A-10
Joint User Service

Increase in joint user rate set forth on page 41 of Exhibit No. 1 is authorized.

Schedule No. A-11
Supplemental Equipment Service

Increases in monthly rates and installation charges for items of supplemental equipment set forth on pages 41 and 42 of Exhibit No. 1 are authorized.

Schedule No. A-13
Public and Semipublic Telephone Service

Increases in the rate per month to \$1.75 and in the minimum charge per day to \$.24 for semipublic telephone service are authorized.

Schedule No. A-16
Pickup and Holding Service

Increases in monthly rates for pickup and holding service set forth on page 40 of Exhibit No. 1 are authorized.

Schedule No. A-17
Pickup, Holding and Common Intercommunicating Service

Increases in monthly rates for pickup, holding and intercommunication service set forth on page 40 of Exhibit No. 1 are authorized.

Schedule No. B-1
Toll Service

The following increases and changes in message toll telephone service rates are authorized:

RATES

1. Table of rates for various mileage steps.

Mileage	STATION SERVICE				PERSON SERVICE			
	Day (Except Sun.)		Night and Sunday		Day, Night & Sunday			
:Up to	:First	:Each	:First	:Each	:First	:Each	:Addl.	:Min.
: and	: 3	:Addl.	: 3	:Addl.	: 3	:First	:After	:
:Over	:Incl.	:Mins.	:Min.	:Mins.	:Min.	:Mins.	: 3	: 3
0	8	\$0.10	\$0.05*	\$0.10	\$0.05*	\$0.35	\$0.10	\$0.05
8	12	.15	.05	.15	.05	.40	.10	.05
12	16	.20	.05	.20	.05	.45	.15	.05
16	20	.25	.05	.25	.05	.50	.15	.05
20	25	.30	.10	.30	.10	.55	.15	.10
25	30	.35	.10	.35	.10	.65	.20	.10
30	35	.40	.10	.40	.10	.70	.20	.10
35	40	.45	.15	.45	.15	.80	.25	.15
40	50	.50	.15	.50	.15	.90	.30	.15
50	60	.55	.15	.50	.15	1.00	.30	.15
60	70	.60	.20	.50	.15	1.10	.35	.20
70	80	.65	.20	.55	.15	1.15	.35	.20
80	90	.70	.20	.60	.20	1.25	.40	.20

* \$0.05 for each additional 2 minutes.

The minimum charge for a station service collect call is \$0.30 for the first 3 minutes, \$0.10 for each minute for the first 3 minutes of overtime and \$0.05 for each minute over the first 3 minutes of overtime.

Schedules Nos. C-1 and C-3
Telegraph Service, Telegraph Service - Press Dispatches

These schedules are to be canceled.

APPENDIX B

LIST OF APPEARANCES

For applicant, West Coast Telephone Company of California:
Peter A. Nenzel and Bacigalupi, Elkus and Salinger, by William G. Fleckles and Claude N. Rosenberg.

Protestants: Mrs. Ace B. Crook, Mrs. W. D. Fisher, Mrs. Nina Olson, and Harold O. Wolfe, in propria personae; and Ernest L. Pyke for Del Norte Chamber of Commerce.

Complainants: Vance Bolick, Kenneth Layman, Ed Langlois, and Mabel C. Maris, in propria personae.

Interested Parties: Bert Buzzini for California Farm Bureau Federation and Mrs. Dorothy Brack for Patrons of the Granges of Del Norte County.

For the Commission Staff: M. J. Kimball.

LIST OF WITNESSES

Evidence was presented on behalf of:

West Coast Telephone Company of California by D. A. Perigo, Russell J. Loveland, and Peter A. Nenzel.

Protestants and Complainants by Ernest L. Pyke, Harold O. Wolfe, Mrs. W. D. Fisher, Mabel C. Maris, Kenneth Layman, Ed Langlois, and W. H. Sutton.

Commission staff by John E. Brown and C. V. Shawler.