# ORIGINAL

Decision No. <u>58330</u>

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 separate the present Amador, El Dorado, Placer, Sacramento and Yolo Counties Telephone Directory into three directories, one for Amador, El Dorado and Placer Counties, one for Fair Oaks, Folsom and Rio Linda and one for Yolo County, and to transfer Galt and Herald to the Lodi Telephone Directory.

Application No. 40810

Arthur T. George and Pillsbury, Madison & Sutro, by <u>Charles B. Renfrew</u>, for applicant; Yolo County Board of Supervisors, by <u>Derald A.</u> <u>Gibson</u>, and Woodland District Chamber of Commerce, by <u>L. H. Wentworth</u>, interested parties. <u>James F. Haley</u>, for the Commission staff.

### <u>O P I N I O N</u>

By this application, filed February 6, 1959, The Pacific Telephone and Telegraph Company seeks an order of this Commission authorizing it to separate one telephone directory into three directories and to modify its tariffs in accordance therewith. The present single directory contains listings of subscribers in Amador, El Dorado, Placer, Sacramento and Yolo Counties, except for subscribers around Lake Tahoe.

After due notice,<sup>1</sup> public hearing in the matter was held before Examiner F. Everett Emerson on March 10, 1959, at Sacramento and the matter was submitted on such date.

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<sup>1</sup> Notice of hearing was given to all City Counsels, City Attorneys, Boards of Supervisors, District Attorneys, County Counsels and all Chambers of Commerce and similar trade or business associations in the areas affected by applicant's proposal. In addition, notices of hearing were published in 14 newspapers of general circulation in the areas affected.

The present single directory for Amador, Placer, Sacramento and Yolo Counties contains listings of telephone subscribers in an area extending about 100 miles in length and 40 miles in width. In it are listed subscribers in such widely separated communities as Guinda and Emigrant Gap, Dunnigan and Jackson, Placerville and Isleton, Winters and Echo Lake, as well as such closely knit and more heavily populated communities as Fair Oaks, Del Paso Heights, Folsom, Rio Linda, and Galt. The evidence indicates that due to the widespread area and natural geographical separations caused by rivers and mountainous terrain, relatively few of the subscribers served by this directory have occasion to refer to listings for all or even a majority of the exchanges included therein.

Applicant can provide an improved directory service to its subscribers by separating this single directory into three directories and by transferring directory listing and representation for the Galt and Herald exchanges to the Lodi directory. Such is the basic proposal of applicant.

The Board of Supervisors of Yolo County and the Woodland District Chamber of Commerce, by their respective resolutions filed at the hearing in this matter, endorse applicant's proposal. Two subscribers, each classifying himself as a "small businessman", oppose the proposal on the grounds that separation of the directory would force them to purchase classified advertising in additional directories in order to retain the same advertising coverage as they presently have in the single directory.

Certain opposition seems to have arisen from a misunderstanding respecting applicant's proposal, some persons having assumed that applicant was proposing to change its "Sacramento" directory. Applicant has made no proposal by which the Sacramento directory would in any way be changed and no authority to change such directory

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will be granted in this proceeding. Because of the relative complexity and apparent confusion respecting listings and representations in the proposed directories, Appendix A is attached hereto in order to set forth in detail the exchanges and communities proposed to be covered in the respective directories.

Rates for directory advertising in the current issue of the single directory, which it is proposed to separate, correspond to those for Circulation Group 4 (6001-8,500) based on circulation in the Woodland exchange at the time the directory was published. Rates for directory advertising in the proposed three new directories would also fall in this same Circulation Group 4 and, therefore, no increases in advertising rates would result thereby.

Rates for directory advertising in the current issue of the Lodi directory correspond to those for Circulation Group 6 (12,001-16,000). Upon transfer of Galt and Herald exchange listings to the Lodi directory, Herald and Galt advertisers (11 in number) would experience corresponding rate increases for directory advertising.

Under applicant's proposal, an existing directory advertiser who desires to retain the same area coverage as he presently enjoys in the single directory, necessarily would have to undertake additional advertising (and hence entail a greater total advertising expense) in each of the directories in which his basic service would not normally appear. Trade-mark advertisers would be similarly affected. The total revenue effect, in so far as applicant is concerned, would amount to an increase of about \$19,990 per year.

The evidence in this proceeding clearly indicates to the Commission that the public interest will be better served by separating the single directory into three directories as applicant has proposed. The resulting improved directory usefulness, in the

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Commission's opinion, is of paramount concern. The usefulness of the alphabetical sections will be enhanced by the elimination of listings for which there is no, or little, demand. Advertisers generally should benefit because their advertising will be directed more closely to their marketing area. These advantages alone outweigh any disadvantages disclosed by the record. In view of the evidence, therefore, the Commission finds that applicant should be authorized to carry out its proposal herein. Further, the Commission finds as a fact that increased rates and charges for directory listings and/or advertising, resulting from the implementation of the authorized directory separation, are justified and that existing rates and charges, in so far as they differ from those herein authorized for such service, are for the future unjust and unreasonable. The Commission further finds that it is reasonable to extend the inservice life of the current single directory through February 1960, so as to provide for an orderly integration of the three new directories into the directory publishing schedule of applicant.

# O R D E R

Based upon the evidence and the findings and conclusions set forth in the foregoing opinion,

IT IS HEREBY CRDERED that The Pacific Telephone and Telegraph Company is authorized,

1. To discontinue publication and issuance of the present "Amador, El Dorado, Placer, Sacramento and Yolo Counties Telephone Directory" and to cancel and withdraw existing tariffs covering rates applicable to classified and alphabetical telephone directory advertising therein,

2. To extend the in-service life of the current issue of the aforesaid directory through February 1960,

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3. To discontinue the publication and issuance of the present "Lodi Telephone Directory" and to cancel and withdraw existing tariffs covering rates applicable to classified and alphabetical telephone directory advertising therein,

4. To publish and issue alphabetical and classified telephone directories for Amador, El Dorado and Placer Counties; Fair Oaks, Folsom and Rio Linda; Yolo County; and Lodi, Galt and Herald; in substantial accord with the exchange and community grouping, advertising representation and sectional arrangements set forth in Appendix A attached to this order; and

5. To publish, file and make effective, after not less than five days' notice to the public and to this Commission, with the forthcoming issues of the new directories hereinabove authorized, rates for advertising as set forth in Exhibits A and B attached to the application herein.

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

Dated at Los Angeles \_\_\_\_, California, this . 1959. resident Commissioners

Commissioner Everett C. McKeage, being necessarily absent. did not participate in the disposition of this proceeding. 6

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#### I - SACRAMENTO DIRECTORY

No change is to be made in this directory, which contains an alphabetical section with a combined list of subscribers in the Sacramento, Fair Oaks, Folsom and Rio Linda exchanges and the following communities:

Broderick	Florin	Orangevale
Bryant Ranch	Folsom Prison	Perkins
Bryte	Mather Air Force Base	Rancho Cordova
Carmichael Cítrus Heights Del Paso Heights Elverta	McClellan Air Force Base Mills North Highlands North Sacramento	Represa Robla West Sacramento

The classified section of this directory contains directory representation for Sacramento exchange advertisers.

#### II - PROPOSED YOLO COUNTY DIRECTORY

The title page of the alphabetical section of this directory will indicate that it <u>does not</u> include Broderick, Bryte and West Sacramento. It will include listings of subscribers in the following exchanges and communities:

Brooks	Esparto
Capay	Guínda
Davis	Knights Landing
Dunnigan	Robbins

Rumsey Winters Woodland Zamora

The classified section will include representation of subscribers in the following exchanges:

Davis	Esparto
Dunnigan	Winters

Woodland

#### III - PROPOSED LODI, GALT AND HERALD DIRECTORY

The primary alphabetical section of the present Lodi directory will be expanded to include listings for the Galt and Herald exchanges.

Similarly, the classified section of the Lodi directory will be expanded to include representation of Galt and Herald subscribers. A. 40810 ET

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# IV - PROPOSED FAIR OAKS, FOLSOM AND RIO LINDA DIRECTORY

This directory will contain two alphabetical sections, one of which will precede the classified section and one following it.

The first alphabetical section will include a combined list of subscribers in the following exchanges and communities:

Broderick	Folsom	Perkins
Bryant Ranch	Folsom Prison	Rancho Cordova
Bryte	Mather Air Force Base	Represa
Carmichael	McClellan Air Force Base	Río Linda
Citrus Heights	Mills	Robla
Del Paso Heights	Natoma	Sacramento
Elverta	North Highlands	White Rock
Fair Oaks	North Sacramento	West Sacramento
Florin	Orangevale	
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The classified section will include representation of subscribers in Fair Oaks, Folsom and Rio Linda.

The second alphabetical section will include listings of subscribers in the following communities:

Elliotts Ranch
Florin
Franklin
Freeport
Hood
Isleton
Locke
Point Pleasant

Riego Roseville Ryde Sheldon Walnut Grove Wilton

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# V - PROPOSED AMADOR, EL DORADO AND PLACER COUNTIES DIRECTORY (EXCEPT BROCKWAY, HOMEWOOD, SOUTH TAHOE AND TAHOE CITY)

The alphabetical section of this directory will include listings of subscribers in the following communities:

Alta Amador City Applegate Auburn Audrain Aukum Baxter Bear River Berkeley Camp Berry Lumber Blue Canyon Bowman Butcher Ranch Camino Camp Sacramento Clipper Gap Colfax Coloma Cooks Station Cool Diamond Springs Drytown Dutch Flat Eagle Rock Echo Chalet Echo Lake Echo Portals Edelweiss El Dorado Electra Emigrant Gap Fairplay Fiddletown Foresthill

Freds Place Garden Valley Georgetown Gold Run Greenwood Grizzly Flat Hams Station Ice House Ione Iowa Hill Jackson Jackson Gate Jaybird Kelsey Kyburz Lancha Plana Latrobe Lincoln Little Norway Loomis Lotus Lumber Yard Ranger Station Martell Station Meadow Vista Michigan Bar Michigan Bluff Nashville Newcastle Oaken Bucket Omo Ranch Ophir Pacific House Peddler Hill

Penryn Phillips Pilot Hill Pine Grove Pioneer Station Placerville Plymouth Pollock Pines River Pines Riverton Rocklin Sciots Camp Sheridan Shingle Springs Sierra Ski Ranch Silver Fork Silver Lake Slough House Sly Park Smith Flat Somerset Sportsmans Lodge Strawberry Sutter Creek Tamarack Pines Tiger Creek Twin Bridges Upper Echo Lake Vade Volcano Walker Ranch Weimar West Point Bridge White Hall

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The classified section of this directory will contain advertising of subscribers in the following exchanges:

> Alta Applegate Auburn Emigrant Gap Georgetown Ione Jackson Lincoln Loomis

Michigan Bar Newcastle Penryn Placerville Plymouth Rocklin Shingle Springs Sutter Creek

# VI - CALAVERAS, SAN JOAQUIN AND TUOLUMNE COUNTIES DIRECTORY

Listings of subscribers in the Galt and Herald exchanges will be added to the secondary alphabetical section of this directory.