

Decision No. 59225**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
Sunland-Tujunga Telephone Company,
a corporation, for an Order of the
Commission authorizing it to in-
crease certain telephone directory
advertising rates.

Application No. 41522

OPINION AND ORDER

Sunland-Tujunga Telephone Company, by the above-entitled application filed on September 23, 1959, seeks authorization to increase rates for advertising service effective with the next issue of the telephone directory scheduled on or about March 15, 1960, so as to augment annual gross revenues by approximately \$14,100.

The schedules of directory advertising rates applicant proposes to establish are set forth on Exhibit B attached to the application and, for the principal items of advertising, may be summarized as follows:

Schedule No.	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
Total All Telephones	<u>7501 to</u> <u>12500</u>	<u>12501 to</u> <u>20000</u>	<u>20001 to</u> <u>30000</u>	<u>30001 to</u> <u>40000</u>
<u>Display Advertising</u>				
One-Quarter Column	\$ 4.50	\$ 5.25	\$ 6.00	\$ 7.50
One-Half Column	9.00	10.50	12.00	15.00
Double Half Column	18.00	21.00	24.00	30.00
<u>Regular Listings</u>				
Trade Mark Heading	4.00	4.50	5.00	5.75
Informational Listing-				
One Inch	3.00	3.50	4.00	4.50
Trade Mark Listing	1.25	1.40	1.50	1.65
Bold Type Listing	1.00	1.15	1.25	1.40
Regular Type Listing	.40	.45	.50	.55

The above schedules of directory advertising rates generally are the same as those filed with this Commission by other independent telephone utilities operating in California.

Applicant's present rates for directory advertising service are those set forth above for Schedule No. 5 (7501 to 12,500 telephones). The application shows that applicant expects to be serving in excess of 12,501 telephones by December 31, 1959 and, accordingly, proposes to apply rates of Schedule No. 6 (12,501 to 20,000 telephones) effective with the next directory to be issued on or about March 15, 1960.

As of August 31, 1959, applicant was serving (according to its telephone station reports filed with this Commission) a total of 12,353 telephones, having gained 829 telephones in the first eight months of this year.

According to applicant's estimates, the making effective of Schedule No. 6 rates will result in a gross annual increase in charges to advertisers of \$14,136, or approximately 15 percent. Applicant further estimates that its net revenues will be increased by \$3,914 after allowing for increased commercial expenses of \$5,507 and increased taxes on income of \$4,715.

The application indicates that such increases in revenues as are estimated to result from a granting of this application would have little significant effect on applicant's over-all operating results. Applicant has approximately \$4,100,000 of net plant in service.

The Commission has considered this matter and is of the opinion that a public hearing thereon is not necessary; that any net revenue, after expenses, realized from telephone directory advertising service will reflect in the over-all revenues of the company, which, in the long run, should result in lower exchange rates to the average subscriber; and that the application should be granted subject to the condition that Schedule No. 6 rates will be authorized to become effective with the next issue of the directory

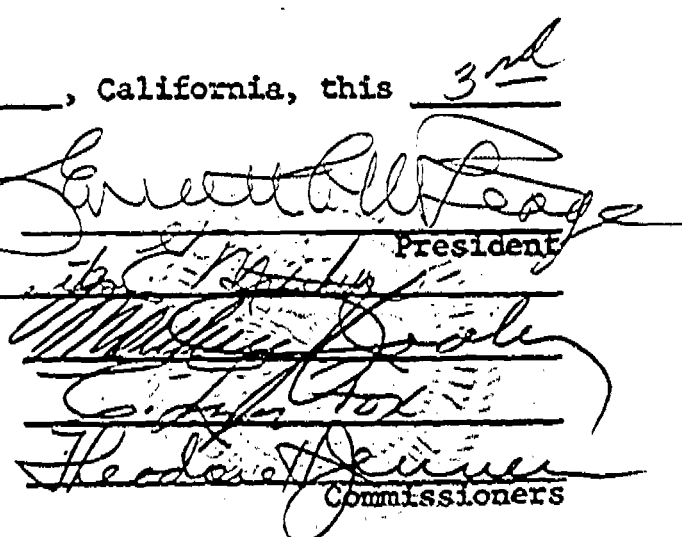
schedules on or about March 15, 1960, provided applicant's Sunland-Tujunga exchange is serving in excess of 12,500 telephones by December 31, 1959 and applicant so advises the Commission in writing no later than January 15, 1960.

The Commission finds that as soon as 12,500 or more stations are served the increases in rates and charges as authorized herein are justified; that the rates and charges as authorized herein are justified and reasonable; and that present rates insofar as they differ from those herein prescribed, for the future are unjust and unreasonable; therefore,

IT IS ORDERED that applicant is authorized to file in quadruplicate with this Commission on or after the effective date of this order, in conformity with General Order No. 96, the increased rates for directory advertising service in the Sunland-Tujunga exchange set forth as Schedule No. 6 in Exhibit B attached to the application and, on not less than ten days notice to the Commission and to the public, to make said rates effective for advertising service commencing with the March 1960 issue of the Sunland-Tujunga classified telephone directory, provided applicant's Sunland-Tujunga exchange is serving in excess of 12,500 telephones by December 31, 1959 and applicant so advises the Commission in writing no later than January 15, 1960.

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

Dated at Los Angeles, California, this 3rd day of November, 1959.


President
Commissioners