

Decision No. 60548**ORIGINAL**

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 establish a special rate area in
 the San Rafael exchange.

Application No. 42408

OPINION AND ORDER

The Pacific Telephone and Telegraph Company filed this application on June 27, 1960 and an amendment thereto on July 11, 1960, seeking authority under Section 454 of the Public Utilities Code to:

1. Establish a special rate area in San Geronimo Valley in the northwest portion of the San Rafael exchange with boundaries substantially as indicated on Exhibit A attached to the application.
2. File and make effective coincident with the establishment of the special rate area the proposed rates as shown on Exhibit B Revised attached to the application as amended.

Applicant alleges that much of the recent development in the suburban area of its San Rafael exchange has been along Sir Francis Drake Boulevard in San Geronimo Valley, which contains the communities of San Geronimo, Forrest Knolls and Lagunitas. Development consists of approximately 500 residences and 27 business establishments. Upon request of the San Geronimo Valley Association applicant made a study of requirements for furnishing urban grades of service. The study indicates that the nature and density of development in part of the valley warrants urban rate treatment.

As of November 1959, there were 327 primary services in the San Geronimo Valley including six public telephones, 99 urban grade services subject to suburban mileage charges, and 222 suburban eight-party line services. At the present time urban grades of service furnished in the proposed special rate area are measured from the Woodacre base rate area. The suburban mileage charges based on such measurement range from an approximate minimum of 3/4 mile to a maximum of about 13/4 miles.

Applicant proposes to establish a special rate area in its San Rafael exchange comprising the developed portion of San Geronimo Valley. The rates which applicant proposes for primary services in the special rate area are San Rafael base rates plus an amount equal to two-quarters mileage charge in recognition of the development in the special rate area and its distance from the main San Rafael base rate area.

Urban services located within the San Rafael exchange but outside the San Rafael main and Woodacre base rate areas and the special rate area would be furnished at special rate area rates plus suburban mileage charges to the nearest point on the boundary of the special rate area, or at San Rafael base rates plus suburban mileage charges to the nearest point on either of the two base rate area boundaries, whichever results in the lower charge to the subscriber.

The monthly rates proposed by applicant for principal grades of service within the San Geronimo Valley special rate area are as follows:

<u>Service</u>	<u>Business</u>	<u>Residence</u>
1-Party	\$11.25	\$5.80
2-Party	8.55	4.45
4-Party	Not offered	3.70
PBX Trunk	16.25	-

Applicant's estimate, based on November 1959 development, of the revenue effect of establishing the special rate area in San Rafael exchange indicates that its exchange revenues will be increased about \$700 on an annual basis.

The Commission has given consideration to this matter and is of the opinion that a public hearing is not necessary. We find that a granting of the application, as herein provided, will result in improved service and not be adverse to the public interest. We further find that such increases in rates or charges as will result from granting this application are justified and that, for the future, present rates insofar as they differ from those herein prescribed will be unjust and unreasonable upon establishment of the San Geronimo Valley special rate area; therefore,

IT IS ORDERED that after the effective date of this order and on or before March 31, 1961, applicant is authorized to file with this Commission in conformity with General Order No. 96 tariff schedules revised to show San Geronimo Valley special rate area with a boundary substantially as indicated on Exhibit A attached to the application and rates proposed by applicant for

San Geronimo Valley special rate area as shown on Exhibit B Revised attached to the application as amended, and, after not less than five days' notice to the Commission and to the public, to make said rates effective for service coincident with the establishment of the San Geronimo Valley special rate area.

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

Dated at San Francisco, California, this 9th day of August, 1960.

[Signature]
President
[Signature]
[Signature]
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Commissioners