

ORIGINAL

Decision No. 60812

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 three exchange areas to
be designated North Carrisa, California
Valley and South Carrisa.

Application No. 42303

Arthur T. George and Pillsbury, Madison & Sutro,
by Denis T. Rice, for applicant.
Joseph S. Ray, for San Miguel Telephone Company;
Ralph Hubbard, for California Farm Bureau
Federation; Walter Clayton, for himself; Henry
Wreden, for himself; Rowland W. Cooper, for
himself; George Grey, for San Luis Obispo
County Telegram-Tribune; Donald Lewis, for
Carrisa Plains School District; and Richard
Walker, for California Valley El Chicote Ranch
Properties, Ltd.; interested parties.
Paul Poponoe, Jr., for the Commission staff.

O P I N I O N

Applicant's Request

The Pacific Telephone and Telegraph Company filed the above-entitled application on May 27, 1960, seeking authorization to establish three exchange areas to be designated North Carrisa, California Valley and South Carrisa, located in the eastern part of San Luis Obispo County and the western part of Kern County, and initially to provide toll station service to applicants therein until sufficient development occurs as will warrant provision of exchange service. The proposed boundaries of the three exchanges are indicated on Exhibit A attached to the application.

Public Hearing

After due notice, public hearing was held at San Luis Obispo on August 25, 1960, before Examiner William W. Dunlop. Pacific presented one exhibit and testimony through two witnesses in

support of its request. The Commission staff cross-examined witnesses and presented one exhibit and one witness who testified that in his opinion it would not be in the public interest to establish exchange areas in the Carrisa Plains region at the present time.

The representative of the California Farm Bureau Federation in his closing statement took exception to the staff's position, but no public witness supported Pacific's application.

The representative of El Chicote Ranch Properties, Ltd., testified concerning inadequacy of existing toll station service to this area; his desire for immediate improvement in service; the fact that Pacific's application does not assure immediate improved exchange service for the area; and that a granting of Pacific's application would prevent San Miguel Telephone Company or other interested telephone utilities from providing immediate improved local exchange service in the area.

Two other residents of the Carrisa area testified as to the inadequacy of their existing toll station telephone service, and of their desire for immediate local dial exchange service under one exchange.

The president of San Miguel Telephone Company testified that his company was interested in establishing exchange telephone service in the Carrisa Plains area; that if Pacific's application were denied the San Miguel Company would immediately enter negotiations with Pacific in order to provide local dial exchange service to Carrisa Plains area by means of a single exchange; that construction for initial exchange service could be completed within 90 days after authorization by the Commission; and that adequate financing was available to proceed with necessary construction.

At the conclusion of the day's hearing, the matter was submitted and is now ready for decision.

Carrisa Plains Area

This record reveals that an area known as Carrisa Plains is located in the eastern part of San Luis Obispo County and the western part of Kern County; that such area currently is not included within any telephone exchange area but lies southeast of Pacific's Paso Robles exchange and west of Kern Mutual Telephone Company's McKittrick and Taft exchanges; that Carrisa Plains is a rural area made up of large ranches; that since 1952 Pacific has provided toll station service in such area; and that as of April 1, 1960, Pacific served 20 such toll stations in Carrisa Plains operating on a three-channel radio system from its Paso Robles toll office.

According to applicant, plans have been announced to establish a large multimillion dollar subdivision on the 25,000-acre El Chicote Ranch which is located at about the center of the Carrisa Plains area and that eight thousand 2½-acre homesites are planned as well as two air strips, a country club, a golf course, a townsite, industrial property and neighborhood shopping centers. However, no indication of when any houses actually will be constructed is available in this record.

Applicant states that currently there are about 50 establishments and 200 people living in the 363 square miles of territory comprising the Carrisa Plains area. Applicant further states it has received no requests for exchange service in the territory, that all present demands for service are being met, that now it is not economically feasible for Pacific to provide exchange telephone service in the area, and that Pacific has no present specific plans for providing exchange service in the area.

Pacific's Proposal

Pacific proposes the establishment of three exchange areas without initially providing exchange telephone service therein.

Telephone toll station service is proposed by Pacific to be continued in the three exchange areas until Pacific deems that exchange service is warranted.

Applicant did not present any specific plans for providing exchange telephone service in the area, information as to the economic feasibility thereof, estimated costs involved, or required level of rates.

Pacific does plan, however, to replace the present three-channel radio link with five channels of microwave radio facilities by the first quarter of 1961. This should improve existing toll station service to the territory.

Findings and Conclusions

Based upon a careful consideration of the evidence of record, the Commission finds and concludes that:

1. Pacific has no immediate plans for proceeding with the establishment of exchange telephone service in the Carrisa area, and presented no evidence on economic feasibility, costs or required rates.
2. The area is now served by toll station service and such service will be unaffected by a granting or denial of this application.
3. San Miguel Telephone Company expressed a desire to establish immediate dial exchange service in the area.
4. Pacific's request was not supported by residents of the affected Carrisa Plains area.
5. Pacific's plans to replace the present radio facilities with five channels of microwave radio facilities should improve toll station service to the area.
6. The evidence does not support a granting of this application and therefore it will be denied.

O R D E R

Public hearing on the above-entitled matter having been held, the matter having been submitted for decision, and the Commission being duly informed thereon,

IT IS ORDERED that Application No. 42303 be and it hereby is denied.

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

Dated at San Francisco, California, this 4th day of October, 1960.

Creswell R. Page
President

Edmund G. Hill

William J. Doolan

E. J. Fox

Theodore J. Jenner
Commissioners