

ORIGINAL

Decision No. 61154

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Sierra Telephone Company, Inc. for)
authority to:)

- (1) Combine the present Ahwahnee and)
Coarse Gold zones and redesignate)
the area therein as the Coarse)
Gold exchange;)
- (2) Redesignate the present Raymond)
zone as the Raymond exchange;)
- (3) Apply the rates for exchange)
telephone service now effective)
within the Coarse Gold zone to)
exchange services furnished)
within the proposed Coarse Gold)
exchange.)

Application No. 42746

OPINION AND ORDER

Applicant's Requests

Sierra Telephone Company, Inc., by the above-entitled application, filed October 11, 1960, seeks authority, pursuant to Sections 454 and 491 of the Public Utilities Code, to:

- 1. Combine the present Ahwahnee and Coarse Gold zones as a single exchange area to be designated the Coarse Gold exchange.
- 2. Eliminate the toll rate center at Ahwahnee, withdraw the rate for toll service between Ahwahnee and Coarse Gold zones, withdraw the present rate for multi-party service and make effective within the proposed Coarse Gold exchange the present rates and charges for exchange and toll telephone service applicable in the present Coarse Gold zone as set forth in Exhibit D attached to the application.
- 3. Redesignate the present Raymond zone as the Raymond exchange. Present territorial and zone boundaries and proposed area boundaries are shown on Exhibit C attached to the application.

Applicant also requests authority to include within the proposed Coarse Gold exchange an adjacent area of 4½ square miles of presently unfiled territory.

In addition, applicant requests that the revisions in boundaries and rates requested be made effective coincident with conversion of applicant's central office at Raymond to dial operation, scheduled on or about November 5, 1960.

Applicant's Operations

Applicant is a public utility owning and operating a telephone system furnishing exchange and toll telephone service in the unincorporated communities of Ahwahnee, Bass Lake, Coarse Gold, Oakhurst and Raymond and vicinity in Madera and Mariposa Counties, California.

Applicant's Position

Applicant states that the elimination of toll charges for messages between Ahwahnee and Coarse Gold zones will result in a reduction in toll charges to subscribers amounting to \$1,462.92 annually. The withdrawal of rates for multi-party service within the present Ahwahnee zone and the substitution of rates for 10-party suburban service as presently applicable in the Coarse Gold zone, applicant states, will result in an increase in annual charges to customers in the present Ahwahnee zone of \$922.80. Thus the net effect on annual charges to subscribers located within the proposed Coarse Gold exchange will be a decrease of \$540.12.

As set forth in Exhibit E attached to the application, 47 multi-party residence service subscribers would have their monthly basic service charge increased from \$4 to \$5 and 26 multi-party business service subscribers would have their monthly basic service charge increased from \$5.60 to \$6.75.

The substitution of 10-party suburban service for multi-party service will have service improvement effects because of the limitation

in the number of parties per suburban line to 10 as compared to multi-party service where the number of parties per line is unlimited.

Applicant states that the effect of its proposals herein on its rate of return on average depreciated rate base for the year 1959 would have been a reduction from 1.46% to 1.13%.

Customer Interest

After filing the application, the applicant, by letter of October 17, 1960, submitted a copy of a form letter, including questionnaire, sent to each of its subscribers in its Ahwahnee zone. Also included is a list summarizing the results of the questionnaire as follows: 48 were in favor of the applicant's proposed changes; 2 disapproved; and 13 did not reply. This letter of October 17, 1960 and the attachments are made a part of the record herein and marked Exhibit No. 1.

The Commission also received a resolution by the Oakhurst Chamber of Commerce dated October 24, 1960, which is made a part of the record herein and marked Exhibit No. 2. It appears therefrom that the greatest distance between the two largest communities, Oakhurst and Ahwahnee, is approximately only 5 miles; that there is a strong community of interest between all of the communities of Coarse Gold, Oakhurst, Ahwahnee, Bass Lake, and Fish Camp; and that the membership of the Oakhurst Chamber of Commerce is made up of businesses and individuals from all of these communities. The Oakhurst Chamber of Commerce wishes to go on record as favoring the elimination of the current telephone boundary line between these communities.

Findings and Conclusions

The Commission has given consideration to this matter and finds and concludes that a public hearing thereon is not necessary; that a granting of the application as herein provided, will result in improved service and will not be adverse to the public interest; and that such increases in rates or charges as will result from the

granting of this application are justified and that, for the future, present rates in so far as they differ from those herein prescribed will be unjust and unreasonable; therefore,

IT IS ORDERED as follows:

1. Applicant is authorized:

- (a) To combine the present Ahwahnee and Coarse Gold zones and designate the area Coarse Gold exchange.
- (b) To eliminate the toll rate center at Ahwahnee, withdraw the rate for toll service between the Ahwahnee and Coarse Gold zones, withdraw the present rate for multi-party service and make effective within the proposed Coarse Gold exchange the present rates and charges for exchange and toll telephone service applicable in the present Coarse Gold zone as set forth in Exhibit D attached to the application.
- (c) To redesignate the present Raymond zone as the Raymond exchange with no change from the currently effective rates.
- (d) To expand the Coarse Gold exchange to include an adjacent area of $4\frac{1}{2}$ square miles as set forth in Exhibit C attached to the application.

2. After the effective date of this decision, applicant is authorized to file in quadruplicate with this Commission, in conformity with the requirements of General Order No. 96, revised tariff schedules designed to accomplish the authorization contained in Ordering Paragraphs 1(a), (b), (c) and (d) above, and after not less

than five days' notice to the Commission and to the public, to make said revised tariffs effective.

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

Dated at San Francisco, California, this 13th day of DECEMBER, 1960.

George W. Stone
President

W. H. Mitchell

W. H. Mitchell

W. H. Mitchell

W. H. Mitchell

W. H. Mitchell
Commissioners