

Decision No. 62432**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)	Application No. 43511
to establish the Nimbus special rate)	
area in the Folsom exchange.)	

OPINION AND ORDER

The Pacific Telephone and Telegraph Company filed this application on June 16, 1961, seeking authority under Section 454 of the Public Utilities Code to (1) establish a special rate area in the Folsom exchange to be called the Nimbus special rate area, with a boundary substantially as indicated on Exhibit A attached to the application; and (2) file and make effective coincident with the establishment of the Nimbus special rate area rates as shown in Exhibit B attached to the application.

Applicant states that the community of Nimbus is within its Folsom exchange and is located about two miles south of the center of the town of Folsom, and that Aerojet-General Corporation has established a fuel and missile plant at Nimbus which employs about 17,000 persons. Nimbus is primarily an industrial community in an otherwise suburban area.

Present telephone development consists of the following: business - 230 PBX trunks, 69 flat rate individual line services and 10 message rate individual line services; and residence - 19 individual line services, 10 two-party line services, 15 four-party line services and six suburban subscribers.

According to applicant, Aerojet-General Corporation has made numerous requests for the provision of urban service without mileage charges.

The rates which applicant proposes for primary services in the special rate area are Folsom rates plus an amount equal to a one-quarter mile suburban mileage charge in recognition of the development in the special rate area and its distance from the Folsom base rate area. The monthly rates proposed by applicant for principal grades of service within the Nimbus special rate area are as follows:

<u>Service</u>	<u>Business</u>	<u>Residence</u>
1-party flat	\$17.25	\$ 7.70
1-party message	8.00 (80)	Not offered
Semipublic	3.60 plus .31 per day	-
PBX trunks	25.50	Not offered
2-party	Not offered	6.05
4-party	Not offered	5.10

(80) Message allowance, each additional message is \$0.0425.

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

Applicant estimates that the establishment of the special rate area will result in a decrease in annual revenues of about \$14,000, but points out that the peculiar circumstances of nearly 100 percent current development of urban grades of service warrant such action. This proposal may be likened to an expansion of a base rate area where growth and density of development warrant the elimination of suburban mileage charges.

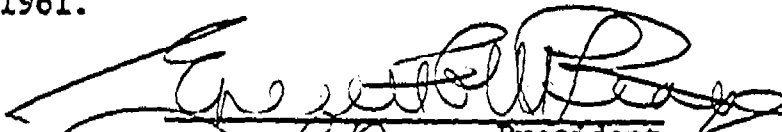
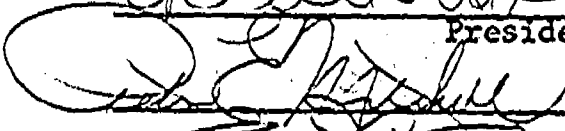
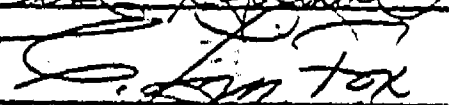
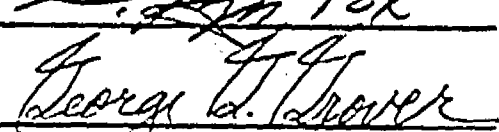
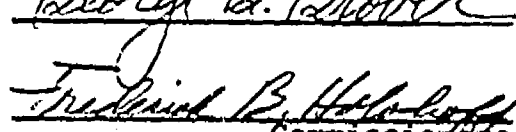
The Commission has given consideration to this matter and is of the opinion that a public hearing is not necessary. We find that the granting of the application, as herein provided, will result in improved service and not be adverse to the public interest. We further find that such increases in rates or charges as will result

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

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

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

Dated at San Francisco, California, this 22nd day of AUGUST, 1961.


President



George A. Hoover

Commissioners