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Decision No. 62549

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 publish, file and place in effect exchange and interexchange rates in exchanges to be designated Baker, San Bernardino County; Shoshone and Death Valley, Inyo County, California.

Application No. 43372 (Filed May 4, 1961)

Pillsbury, Madison & Sutro, Arthur T. George and <u>Dudley A. Zinke</u>, for applicant;
California Interstate Telephone Company by <u>Harold E. Throp</u>, Inyo County Sheriff's Office by <u>R. W. Goe</u>, Death Valley National Monument by <u>G. B. Liles</u>, Fred Harvey Company by John <u>Mueller</u>, U.S. Borax and Chemical Corporation and Death Valley Hotel Co., Ltd., by <u>C. A. Scholl</u>, Shoshone Businesses by <u>Mrs. Bernice Sorrells</u>, Baker Area Chamber of Commerce and Baker Community Services District by <u>Charles F. Brown</u>, Baker Judicial District by <u>Judge Joseph A. Plant</u>, interested parties;
<u>Richard T. Perry</u> for the Commission staff.

OPINION AND CRDER

By this application, The Pacific Telephone and Telegraph Company seeks authority to establish three exchanges to be known as Baker, Shoshone and Death Valley, to file rates for exchange telephone service to be rendered therein and to establish appropriate toll-rate centers for each of said new exchanges.

Public hearing in the matter was held before Examiner F. Everett Emerson on July 17, 1961 at Baker. Approximately 40 persons attended the hearing. Many testified in support of applicant's proposals. No person came forward to oppose the granting of applicant's requests. The matter was submitted and is now ready for decision.

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Establishment of the proposed three exchanges would for the first time provide exchange telephone service to populated portions of the Mojave Desert - Death Valley area lying in northeastern San Bernardino County and southern Inyo County which have been served by applicant for a number of years by means of toll service only. In its canvass of the area, applicant obtained 223 signed applications for 249 main telephone stations. It estimates a 50 percent growth by 1963 and an additional 25 percent growth for the period 1963 - 1966. In addition to providing exchange service to these basic subscribers, applicant would place some 32 public coin box stations in the three exchanges.

Toll service was first made available to the community of Baker in 1930 and to Shoshone and Death Valley in 1932. At the present time approximately 53 toll stations serve the over-all area. In recent years such service has become less than adequate, has caused complaints by users and has generated numerous requests for an improved telephone service. The toll facilities now existing have reached the limit of their capacities and because of age and certain obsolescence are due for replacement or retirement. The time seems all the more propitious, therefore, to now provide exchange service in the areas. From the over-all economic viewpoint the new exchange service may not fully "pay its way" during the first few years of operation. The evidence is convincing, however, that the general public interest will best be served if the proposed new exchange services are now made available.

In view of the evidence, the Commission finds that the proposals of applicant are in the public interest and concludes that the requests of applicant should be granted. The change-over from toll to exchange service will produce some increases and some decreases in the telephone charges. Each are of a minor nature, however. To the

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extent that increased charges result from the tariff filings authorized by this order, the Commission finds such increases to be justified,

Good cause appearing therefor,

IT IS ORDERED that The Pacific Telephone and Telegraph Company is hereby authorized:

 To establish exchanges to be known as Baker, Shoshone and Death Valley with exchange and base rate areas as shown in Exhibit No. 1 in this proceeding,

2. To file and make effective coincident with the establishment of said exchanges and on not less than five days' notice to the public and to this Commission, the exchange rates shown in Exhibit B attached to the application, and

3. To establish the toll rate centers of said exchanges at the respective locations set forth in paragraph VII of the application herein.

The effective date of this order shall be twenty days after the date hereof and the authorizations hereinabove granted shall expire if not exercised prior to November 1, 1962.

Dated at San Francisco , California, this 12 Th cotenches), 1961. day of <u>k</u> esident

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