

**ORIGINAL**Decision No. 63295

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ESTHER C. LAVIS,  
Complainant,

vs.

THE PACIFIC TELEPHONE & TELEGRAPH  
COMPANY, a corporation,

Defendant.

Case No. 7175

Robert J. Cooney, for Esther C. Lavis, complainant,  
and for the City of El Cerrito, intervenor.  
Arthur T. George and Maurice D. L. Fuller, Jr., by  
Maurice D. L. Fuller, Jr., for The Pacific  
Telephone & Telegraph Company, defendant.  
Paul Popenoe, Jr., for the Commission staff.

INTERIM OPINION AND ORDERComplaint

On August 15, 1961, complainant Esther C. Lavis filed her complaint herein against the defendant The Pacific Telephone and Telegraph Company alleging that a gross inequity exists among telephone subscribers in the City of El Cerrito, because although all telephone subscribers in said city pay the same base rate, approximately one-half of the subscribers maycall within a range of seventeen exchanges<sup>1/</sup> without toll charges while the others are limited to calling four exchanges<sup>2/</sup> without toll. She further alleged that El Cerrito is an integral part of the East Bay Cities, and that the

- 1/ Complainant's Exhibit No. 2 indicates that the seventeen exchanges refer to fifteen central office prefixes in the East Bay Exchange and two central office prefixes in the Richmond Exchange.
- 2/ Complainant's Exhibit No. 2 indicates that the four exchanges refer to Landscape and Thornwall central office prefixes in the Berkeley district area of East Bay Exchange and Beacon and Capitol central office prefixes in the Richmond Exchange.

dialing range as presently constituted does not serve the needs of the community, and that there is no one source which can be consulted for all El Cerrito telephone numbers, the numbers of part of the subscribers being listed in the Oakland directory and the others being listed in the Richmond directory.

Answer

Defendant The Pacific Telephone and Telegraph Company filed its answer on September 11, 1961. In its answer defendant averred that a portion of the City of El Cerrito lies within defendant's Richmond Exchange and that another portion of the City of El Cerrito lies within the Berkeley District Area of defendant's East Bay Exchange. The exchange rates for telephone service in defendant's Richmond and East Bay Exchanges are on file with this Commission.

The local service area of subscribers receiving exchange service from defendant's Richmond Exchange includes all stations receiving service from defendant's Richmond Exchange and from the Berkeley District Area of defendant's East Bay Exchange. The local service area of subscribers receiving exchange service from the Berkeley District Area of defendant's East Bay Exchange, as authorized and prescribed by this Commission, includes all stations receiving service from defendant's East Bay Exchange, Orinda Exchange and Richmond Exchange.

Defendant further averred that the listings of all its subscribers residing within the City of El Cerrito are published in the Richmond Telephone Directory, and that the listings of its subscribers to defendant's East Bay Exchange service residing in the City of El Cerrito are also published in the Oakland Telephone Directory.

Defendant averred four affirmative defenses as follows:

1. Exchange boundaries must be established to permit the construction of plant with some assurance of permanence and thereby to permit the furnishing of telephone service to subscribers generally at economic and reasonable rates. The integrity of established exchange area boundaries must be preserved to permit the orderly, efficient and economical establishment and growth of plant, to permit dependable operations at reasonable costs and to permit progressive planning and equitable rate treatment to meet the varying service requirements of subscribers.

The boundary between defendant's Richmond and East Bay Exchanges has been in existence for many years in accordance with defendant's rates, rules and regulations on file with this Commission. In reliance on the lawfully established boundaries of said exchange, defendant has over the years invested large sums of money in, and constructed telephone exchange facilities necessary for rendering telephone service in, said exchanges.

2. Defendant, in order to meet the communication's needs of subscribers in defendant's Richmond Exchange and the Berkeley Area of defendant's East Bay Exchange, furnishes extended service to subscribers in its Richmond Exchange so as to include within their local service area subscribers in the Berkeley District Area of defendant's East Bay Exchange, including those subscribers in said Berkeley District Area who reside in the City of El Cerrito. Consequently, all subscribers residing in El Cerrito, whether receiving service from defendant's Richmond Exchange or from defendant's East Bay Exchange, can call all other subscribers in El Cerrito, whether in either exchange, toll free.

3. Under its tariff schedules on file with this Commission, defendant offers and furnishes East Bay foreign exchange service in its Richmond Exchange in order to meet the needs of its subscribers having special calling requirements.

4. Defendant is willing to expand the local service area of the subscribers in its Richmond Exchange and in other affected exchanges in the event that subscribers in the Richmond Exchange and other affected exchanges evidence the requisite desire and need for such an expanded service area at rates, equitably distributed, which will offset any additional expenses or losses of revenue as may be incident thereto.

Public Hearing

Public hearings in this matter were held before Examiner Wilson E. Cline at El Cerrito on November 21 and 22, 1961.

At the hearing in the absence of objection by any party the petition of the City of El Cerrito for leave to intervene in support of the complaint of Esther C. Lavis was granted and the City of El Cerrito was authorized to intervene. The resolution of the City of El Cerrito attached to the petition for leave to intervene states that in excess of 1,000 citizens of El Cerrito have evidenced a desire to be included in the Landscape Exchange and resolves that the Council endorse wholeheartedly the efforts of the petitioners to urge a study of the problem herein under consideration and request remedial action by the Public Utilities Commission.

At the hearing evidence in support of the complaint was offered through 40 residents of El Cerrito who are telephone subscribers of defendant. The Rate Engineer for the Bay Area, the District Traffic Manager, and the Plant Extension Studies Engineer of defendant testified in support of defendant's answer to the complaint.

At the close of the hearing complainant made a motion that this Commission issue an interim order requiring defendant to make a special traffic volume study of telephone calls made by the Beacon (Richmond) Exchange subscribers in El Cerrito to downtown Oakland and other parts of the East Bay Exchange in connection with the traffic volume study of telephone calls made by telephone subscribers in the entire Richmond Exchange to downtown Oakland and other parts of the East Bay Exchange which is now being made by defendant to assist in determining whether or not there should be an expansion of the local service area of the Richmond Exchange.

Defendant's Rate Engineer for the Bay Area testified that to make the study requested would require the selection of 2,500 to 3,000 IBM cards from a deck of 40,000 IBM cards. This smaller deck of IBM cards would then have to be sorted five or six times and run through the tabulating machines. To extract the additional data will require several days of work with the IBM cards and equipment.

Finding and Conclusion

After considering this matter the Commission finds and concludes that the study requested by the complainant should be of considerable assistance in determination of the disposition to be made of the complaint herein. Complainant's motion therefore should be granted.

Good cause appearing,

IT IS ORDERED that:

1. Defendant herein shall make a special traffic volume study of telephone calls made by the Richmond Exchange subscribers in El Cerrito to downtown Oakland and other parts of the East Bay Exchange in connection with the traffic volume study of telephone calls made

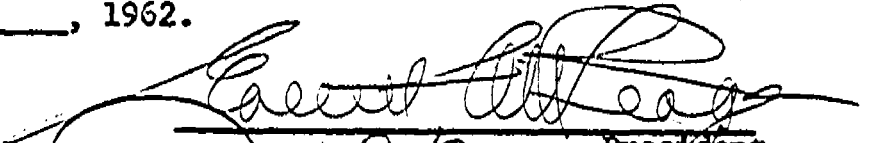

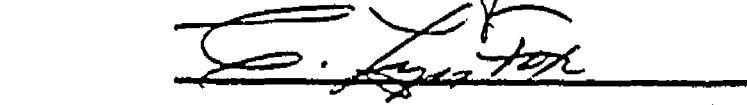
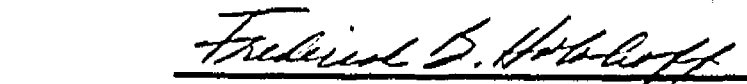
by telephone subscribers in the entire Richmond Exchange to downtown Oakland and other parts of the East Bay Exchange which is now being made by defendant.

2. On or before April 15, 1962, four copies of the results of such study shall be filed with this Commission, one copy shall be served upon the complainant and one copy upon the intervenor.

3. Further hearings in this matter shall be held at the request of either party hereto or upon the Commission's own motion after notice to the parties hereto.

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

Dated at San Francisco, California, this 20th day of FEBRUARY, 1962.

  
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President  
  
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Commissioners

Commissioner George G. Grover, being necessarily absent, did not participate in the disposition of this proceeding.