

ORIGINALDecision No. 63795

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE
AND TELEGRAPH COMPANY, a corporation,
for authority to establish the North
Tahoe exchange and to establish
extended service between certain
exchanges in the vicinity of Lake
Tahoe.

Application No. 44097
(Amended)

Arthur T. George and Maurice D. L. Fuller, Jr.,
by Maurice D. L. Fuller, Jr., for applicant.
Herb Obexer, for Obexer & Son, Inc.; Robert W.
Affeldt, D.D.S. and Cecil Edmunds, in propria
personae; Wendell H. Russell, in propria
persona; William Hunter and J. R. McCafferty,
for Tahoe City-Squaw Valley Conference Assoc.;
Richard T. Higgins, for Truckee Donner Chamber
of Commerce; Herbert Kahn, for Lake Tahoe Ski
Club of California; John S. Corbin, for Tahoe -
Truckee Unified School District; and Fred M.
Schultz, for Lake Tahoe Sierra Chamber of
Commerce; interested parties.
Ermet Macario, for the Commission staff.

O P I N I O N

By this amended application filed March 29, 1962, The Pacific Telephone and Telegraph Company seeks authority (1) to consolidate its Tahoe City exchange and its Brockway exchange into one exchange to be designated the North Tahoe exchange and to eliminate toll rates and charges now applicable for calling between said areas; (2) to establish extended service between its Truckee and North Tahoe exchanges, between its Homewood exchange and its Tahoe City district area, and to eliminate toll rates and charges now applicable to service over said routes; (3) to file extended service rates for Homewood, Truckee and North Tahoe exchanges; and (4) to withdraw the existing offering of foreign exchange service, if applicable, within and between its Homewood, Truckee, Brockway and Tahoe City exchanges.

Public hearing in the matter was held before Commissioner C. Lyn Fox and Examiner Martin J. Porter on April 26, 1962, at Truckee, on which date the matter was submitted.

The evidence indicates that applicant has had numerous requests for the proposed service. Tahoe City and Brockway are summer and, to a lesser extent, winter resort areas. Their most concentrated development is located on Highway 28. Proceeding along this highway it is difficult to identify where Brockway ends and Tahoe City begins; the development appears continuous. Businesses located in either community serve both areas.

Socially the people consider themselves members of the North Shore community and not specifically Brockway and Tahoe City.

The reasons for the proposed extended service between North Tahoe and the Truckee exchanges are the high business and social interest between the two areas.

Extended service between Homewood and the proposed Tahoe City district area of North Tahoe exchange is prompted by the fact that Homewood is mainly a summer resort area, relying principally on Tahoe City for its business or commercial services.

Twenty-one persons representing business, social, church, hospital and school organizations made statements at the hearing. All were in favor of the proposed service, except one, a resident of Truckee who was opposed to extended service for Truckee and who expressed the view that the increase in rates should be borne more by the business customers. All who made statements were aware that their flat rate telephone charge would be increased if the proposed service was instituted. Some people spoke both as business people and residents of the area.

The present and proposed exchange rates for principal classifications of exchange service are as follows:

Service	Rate Per Month		
	Present	Proposed	
	Brockway, Homewood Tahoe City(1) & Truckee	Homewood	North Tahoe(2) & Truckee
<u>Business</u>			
<u>Flat Rate</u>			
Individual line	\$ 7.00	\$ 7.50	\$ 7.75
Two-party line	5.60	6.10	6.30
PBX trunks - each	10.50	11.25	11.50
Suburban line	5.10	5.60	5.75
Farmer line	1.55(3)	-	2.10(3)
Semipublic coin	.75 plus .21/day	1.00 plus .23/day	1.00 plus .24/day
<u>Residence</u>			
<u>Flat Rate</u>			
Individual line	\$ 4.40	\$ 4.60	\$ 4.75
Two-party line	3.60	3.75	3.85
Four-party line	3.00	3.15	3.20
Suburban line	3.50	3.65	3.70
Farmer line	.90(3)	-	1.10(3)

Other rates and rules and regulations in accordance with exchange tariffs on file with or as may be authorized by the California Public Utilities Commission.

- (1) Tahoe City (Tahoe City district area) special rate area - basic rates plus a charge equivalent to 2/4 suburban mileage charge.
- (2) Comprising Brockway and Tahoe City district areas.
- (3) Service offered in Brockway (Brockway district area) and Truckee only.

Findings and Conclusions

Based on the evidence, the Commission finds that the proposals of applicant are in the public interest except for the proposal to cancel presently offered foreign exchange service. The Commission finds that the increase in rates and charges for the telephone service authorized herein is justified. Further, the Commission finds that the present rates and charges, insofar as they differ therefrom, will become unreasonable on such date as the proposed service is instituted.

O R D E R

A public hearing having been held and based upon the evidence therein adduced,

IT IS ORDERED that:

1. Pacific Telephone and Telegraph Company is hereby authorized:

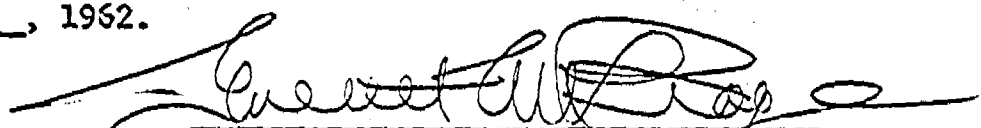
- (a) To consolidate its Tahoe City exchange and its Brockway exchange into one exchange to be designated North Tahoe, with exchange district, and base rate areas as shown on Exhibit A, attached to the amended application and Exhibit No. 1 in this proceeding.
- (b) Concurrently, to cancel existing exchange rates, and to file extended service rates for Homewood, Truckee and North Tahoe exchanges as shown in Exhibit B attached to the amended application and Exhibit No. 4 in this proceeding.
- (c) Concurrently, to cancel toll rates applying over the following routes:

Tahoe City - Brockway
 Tahoe City - Truckee
 Tahoe City - Homewood
 Truckee - Brockway


2. The authorization herein will expire unless exercised within two years after the effective date hereof.

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

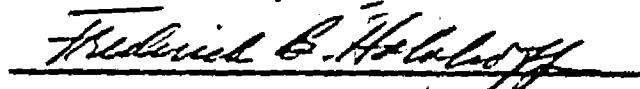
Dated at San Francisco, California, this 12th day of June, 1962.



 President







Commissioners