

**ORIGINAL**Decision No. 63867

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE  
AND TELEGRAPH COMPANY for authority  
to establish the Elmira special rate  
area within the Vacaville exchange.

Application No. 44468  
(Filed May 21, 1962)

OPINION AND ORDERApplicant's Request

The Pacific Telephone and Telegraph Company requests authority under Section 454 of the Public Utilities Code to (1) establish the Elmira special rate area in Vacaville exchange with boundaries as set forth in Exhibit A attached to the application, (2) establish rates for service in said special rate area as set forth in Exhibit B attached to the application, and (3) withdraw suburban service within said special rate areas. Applicant's Vacaville exchange in Solano County serves approximately 5,600 telephones.

Description of Proposed Special Rate Area

The community of Elmira is located approximately 3 miles east of the Vacaville base rate area boundary. The proposed special rate area contains approximately 70 residence and 10 business establishments. As of December, 1961, telephone development within the proposed special rate area consisted of 42 residence main stations and 5 business main stations. Of these, 4 residence and 2 business subscribers were taking urban grades of service.

Applicant states that numerous individuals have evidenced interest in securing urban service without mileage charges and that establishment of the proposed special rate area will satisfy these

demands for improved service. With urban grades of service available in the proposed Elmira special rate area there will no longer be a demand or requirement for suburban service within the special rate area.

Applicant states that establishment of said special rate area will require the installation of additional telephone facilities and that it plans to install a concentrator unit and other outside plant facilities. Applicant states that such facilities can be made available within eight months after approval of its application.

Proposed Rates

Applicant proposes rates for primary urban services within the Elmira special rate area equivalent to Vacaville base rates plus an increment equal to 2/4 suburban mileage charge. Applicant states that this increment gives appropriate consideration to development within the proposed special rate area and its distance of about 13/4 miles from the base rate area.

The following tabulation from Exhibit B, attached to the application, shows present and proposed rates for primary services within the special rate area:

<u>Business</u>	<u>Rate Per Month</u>	
	<u>Present*</u>	<u>Proposed</u>
1-Party	\$ 7.00	\$ 8.00
2-Party	5.60	6.30
Semipublic	.75 plus .21 per day	1.75 plus .21 per day
FBX Trunks	10.50	11.50
Suburban	5.10	Not Offered
Farmer Line	1.55	1.75
<u>Residence</u>		
1-Party	\$ 4.40	\$ 5.40
2-Party	3.60	4.30
4-Party	3.00	3.50
Suburban	3.50	Not Offered
Farmer Line	.90	1.10

\* Plus suburban mileage charges on urban services.

Applicant's Exhibit B indicates the offering of farmer line service within the proposed special rate area. This is contrary to applicant's tariffs on file with this Commission. The authorization herein will not provide for the offering of farmer line service within the special rate area. Farmer line service provided from the special rate area will be authorized at the rates shown in applicant's Exhibit B.

Applicant also proposes that Vacaville urban service be furnished outside the base rate area and the proposed Elmira special rate area at either special rate area rates plus suburban mileage charges to the nearest point on the special rate area boundary or at base rates plus suburban mileage charges to the nearest point on the base rate area boundary, whichever results in the lower charge to the subscriber. On this basis the mileage charges paid by 7 subscribers for urban service will be reduced.

Based on December 1961 telephone development, applicant estimates that, with minimum regrading of telephone services, the proposed rates would decrease applicant's annual revenues by approximately \$300. With maximum regrading, however, applicant estimates that annual revenues would increase approximately \$500.

#### Findings and Conclusions

The Commission has given consideration to this matter and finds that a public hearing thereon is not necessary and that a granting of the application, as herein provided, will result in improved service and will be in the public interest. The Commission further finds that such increases in rates and charges as will result from granting this application are justified and that, for the future, present rates, insofar as they differ from those herein prescribed, will become unjust and unreasonable upon the establishment of the Elmira special rate area; therefore,

IT IS ORDERED that, after the effective date of this order and on or before June 30, 1963, applicant is authorized and directed to file with this Commission in conformance with General Order No. 96-A, tariff schedules revised to show Elmira special rate area within the Vacaville exchange with a boundary substantially as set forth on Exhibit A attached to the application and rates for service within said special rate area as set forth on Exhibit B attached to the application, except that the rates for farmer line service apply to such service furnished from, but not within, the special rate area at subscribers' option, and after 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 said special rate area.

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

Dated at San Francisco, California, this 2nd day of July, 1962.

George P. Brown  
President  
John E. Mitchell  
Charles O. Rags  
Fredrick B. Helshoff  
Commissioners

Commissioner C. Lyn Fox, being necessarily absent, did not participate in the disposition of this proceeding.