

**ORIGINAL**Decision No. 64027

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 CENTRAL CALIFORNIA TELEPHONE COMPANY,  
 a California corporation, for an  
 order authorizing an increase in  
 service connection and move and change  
 charges in the Farmington and McFarland  
 exchanges and to replace the present  
 outdated rules and regulations of the  
 McFarland exchange with standard up-to-  
 date rules and regulations.

Application No. 44474  
 (Filed May 22, 1962)  
 First Amendment Filed  
 June 21, 1962

OPINION AND ORDER

Central California Telephone Company seeks authorization pursuant to Sections 454 and 491 of the Public Utilities Code to increase its nonrecurring charges for service connections and for moves and changes in its Farmington and McFarland exchanges and to make effective up-to-date rules in its McFarland exchange. The increases sought do not affect existing customers' regular monthly charges for telephone service. Applicant estimated that its annual gross revenues would be increased by some \$1,953 if its request is granted.

A comparison of present and requested charges for service connections and for moves and changes is contained in Exhibit B of the application and, for the principal items, is shown in Table 1.

TABLE 1

PRESENT AND REQUESTED CHARGES FOR  
SERVICE CONNECTIONS AND MOVES AND  
CHANGES - PRINCIPAL ITEMS

<u>Item</u>	<u>Present Charge</u>		<u>Requested Charge</u>
	<u>Farmington</u>	<u>McFarland</u>	<u>Farmington and McFarland</u>
<u>Service Connections</u>			
1. New and additional service:			
Instrumentalities not in place:			
Each primary station or PBX trunk:			
Business	\$ 6.00	\$ 3.50	\$10.00
Residence	5.00	3.50	7.00
Each extension station or PBX station	3.00	3.50	4.00
2. Instrumentalities in place and no change of location or type of facilities involved:			
Each service or PBX station	3.00	-	4.00
<u>Moves and Changes</u>			
1. Subscriber's telephone sets	3.00	2.50	4.00
2. PBX systems, per station, Intercommunicating systems, per station same room	3.00	2.50	4.00
PBX switchboards, per position:	5.00	5.00	5.00
Cordless, same room	5.00	5.00	10.00
Cordless, one room to another	10.00	10.00	20.00

Applicant owns and operates 10 telephone exchanges in the San Joaquin Valley. They are designated Alpaugh, California Hot Springs, Clements, Corcoran, Exeter, Farmington, Glennville, McFarland, Lemon Cove and Linden. Applicant's principal place of business is in the City of Exeter, Tulare County.

Applicant's present nonrecurring charges for service connections and for moves and changes in its Farmington and McFarland exchanges are below the amounts charged by applicant in its other eight exchanges and are generally below such charges made by other telephone utilities operating in California. The requested charges in the Farmington and McFarland exchanges are at the same level as those presently effective in applicant's other exchanges and those generally charged in other areas of California. The definitions and rules proposed by applicant for McFarland exchange are the same as those currently effective in applicant's other exchanges.

Applicant presented in Exhibits D and E the effect of the requested increases in nonrecurring charges on its Farmington and McFarland operations as well as on its over-all operations. These data are summarized in Table 2.

TABLE 2

SUMMARY OF EARNINGS - YEAR 1961  
AT PRESENT AND REQUESTED CHARGES

Area	: :Operating: :Revenues	: :Operating: :and Taxes	: :Net :Revenue	: :Rate Base: :(Avg. Depr.)	: :Rate of: :Return
Farmington Exchange					
Present Rates	\$ 16,718	\$ 14,238	\$ 2,480	\$ 95,493	2.6%
Requested Rates	16,752	14,256	2,496	95,493	2.6
McFarland Exchange					
Present Rates	116,408	104,713	11,695	618,214	1.9
Requested Rates	118,327	105,761	12,566	618,214	2.0
Total Company					
Present Rates	920,975	781,802	139,173	3,870,259	3.5
Requested Rates	922,928	782,869	140,059	3,870,259	3.6

Applicant urged a granting of the application in order to make its rules and charges for service connections and moves and changes uniform throughout its system and to bring such charges into line with those generally effective in California.

We find that a public hearing is not necessary, that a granting of applicant's request will have no significant impact upon its rate of return for the exchanges affected or for total operations and that such request is reasonable. We further find that the increases in rates and charges and the changes in rules authorized herein are justified, that the rates, charges and rules authorized herein are reasonable and that present rates, charges and rules insofar as they differ from those herein prescribed, are for the future unjust and unreasonable.

IT IS ORDERED that:

1. Central California Telephone Company is authorized to file with this Commission, after the effective date of this order and in conformity with General Order No. 96-A, revised schedules of rates with increased charges for service connections and for moves and changes in the Farmington and the McFarland exchanges set forth in Exhibit B of the application and, on not less than five days' notice to the Commission and to the public, to make such rates effective on applications received by the utility on and after September 1, 1962.

2. Within forty-five days after the effective date of this order, applicant shall file with this Commission, in conformity with General Order No. 96-A, revised rules governing service to customers in the McFarland exchange so that such rules will be

the same as those presently effective in all other exchanges of Central California Telephone Company. Such rules shall become effective upon five days' notice to the Commission and to the public after filing as hereinabove provided.

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

Dated at San Francisco, California, this 31<sup>st</sup> day of JULY, 1962.

George W. Grover  
President

Carl S. Mitchell

E. L. Fox

Carroll W. Bage

Frederick B. Hibbs  
Commissioners