

Exeter exchange and the Farmersville special rate area within this district area, to provide extended area service between said areas and the Visalia exchange of The Pacific Telephone and Telegraph Company (Pacific), to make effective rates for extended area service in said areas, and to withdraw filed tariffs for Visalia residence foreign exchange service in the Exeter exchange.

Pacific requests authority to establish the Farmersville special rate area in its Visalia exchange, to make effective proposed rates within the special rate area, and to withdraw suburban telephone services within the special rate area.

Proposed Areas

Farmersville is a farm community about 2-1/2 miles south-east of Visalia and about 3 miles west of Exeter. It was incorporated as a city in 1960. The common boundary of Central's Exeter exchange and Pacific's Visalia exchange divides the city.

Within the portion of Farmersville served by Central are approximately 174 telephone subscribers receiving service from Central's Exeter exchange and 87 subscribers receiving foreign exchange service from Pacific's Visalia exchange. Pacific serves approximately 330 subscribers in its proposed Farmersville special rate area.

Central proposes to establish a Farmersville district area to extend from the north to the south boundary of its Exeter exchange, varying from 1/2 mile to 1-1/2 miles in width from the extreme western boundary of the Exeter exchange; and to establish a special rate area therein which will include the portion of the City of Farmersville and the area known as Cameron Creek served by Central.

Pacific also proposes to establish a Farmersville special rate area which will include that portion of the City of Farmersville within Pacific's Visalia exchange. Pacific intends to request approval by tariff filing to establish extended area service between Visalia and Central's Farmersville special rate and district areas without any change in exchange service rates.

Central canvassed 204 subscribers in its proposed areas to determine which of the proposed services were desired. Nineteen inquiries were not returned and two replies were against the proposals. Pacific alleges that numerous individuals and the Farmersville City Council have requested that it furnish urban service without mileage charges.

Proposed Service

Graded telephone service is proposed by Central for its subscribers within its special rate area. Outside Central's special rate area, but within its district area, it proposes to offer suburban service or graded service plus mileage calculated to the nearest point of the special rate area. In addition, to satisfy the community of interest, Central proposes to furnish its subscribers within its special rate and district areas extended area service to Pacific's Visalia exchange, including the communities of Ivanhoe and Pacific's portion of Farmersville. Central further proposes to continue to offer to subscribers within its proposed areas exchange service to all Exeter subscribers. Since the necessity for Visalia suburban foreign exchange service will be eliminated by its proposed areas, Central proposes to withdraw filed tariffs for this service.

Pacific proposes to establish within its Farmersville special rate area rates without mileage charges for urban grades of service and to withdraw the suburban service now offered and furnished within said area. Establishment of the proposed special rate area will satisfy, Pacific alleges, the demand for urban grades of service. With such services available in Pacific's to-be-established Farmersville special rate area, it is further alleged, there will no longer be a demand or requirement for suburban service within said area.

Pacific's witness testified that Exhibit B attached to its application is not meant to imply that farmer line service will be offered within the special rate area but will be provided from the special rate area.

Proposed Rates

Central's proposed rates in its Farmersville area are set forth in tariff form in Exhibit 9. The rates for basic services are set forth below:

Grade of Service	Rate Per Month			
	Business Rates		Residence Rates	
	Present Local *	Proposed Extended	Present Local *	Proposed Extended
1-Party	\$6.00	\$10.25	\$4.00	\$5.65
2-Party	4.75	7.80	-	-
4-Party	-	-	2.70	3.50
Suburban	4.00	6.30	3.10	4.00
Foreign Exchange	-	-	4.25	-
Farmer Line Foreign Exchange	3.50	3.50	2.00	2.00

* Plus suburban mileage charges on urban services.

Pacific proposes rates for primary urban services within its Farmersville special rate area equivalent to Visalia base rates plus an increment equal to 2/4 suburban mileage charge. The following tabulation shows present and proposed rates for primary services with Pacific's special rate area:

Business	Rate Per Month	
	Present*	Proposed
<u>Business</u>		
1-Party	\$ 9.25	\$10.25
2-Party	7.10	7.80
FBX Trunks	13.75	14.75
Semipublic	1.00 plus .24 per day	2.00 plus .24 per day
Suburban	5.60	-
Farmer Line	2.15	2.35
<u>Residence</u>		
1-Party	\$ 4.65	\$ 5.65
2-Party	3.60	4.30
4-Party	3.00	3.50
Suburban	3.50	-
Farmer Line	1.20	1.40

* Plus suburban mileage charges on urban services.

Position of Interested Parties

The Mayor of Farmersville urged it was imperative that Farmersville be united so that subscribers could call from one side of town to the other.

The California Farm Bureau Federation opposed the closing of Schedule A-11 for foreign exchange farmer line service. Central did not establish lack of demand for this service.

The staff concurred in the proposals of the applicants, indicating that the cost of introduction of extended service appeared to be at a reasonable level.

Findings

Upon consideration of the evidence the Commission finds as follows:

1. The proposals of the applicants are in the public interest except for the proposal of Central to cancel foreign exchange farmer line service.

2. The increase in rates for the telephone service authorized herein is justified. Further the present rates and charges, insofar as they differ therefrom, will become unreasonable on such date as the proposed services are instituted.

O R D E R

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

IT IS ORDERED that:

1. After the effective date of this order and on or before one year after said effective date, in conformance with General Order No. 96-A, Central is authorized to file tariff schedules

revised to show the Farmersville district area and the Farmersville special rate area within its Exeter exchange with boundaries substantially as delineated on Exhibit 3 in this proceeding and to file the tariff schedules substantially as set forth in Exhibit 9 in this proceeding, with the exception of Exchange Service Schedule A-11 for Foreign Exchange Farmer Line Service. Said tariff schedules are to be effective under the authority herein granted coincident with introduction of extended area service between Pacific's Visalia exchange and Central's said areas and shall become effective upon five days' notice to this Commission and to the public after filing as hereinabove provided.

2. Central is authorized to withdraw Visalia residence foreign exchange service in the Exeter exchange coincident with the introduction of the services herein authorized.

3. Central's request to close to future applicants Exchange Service Schedule No. A-11, Foreign Exchange Farmer Line Service, is denied.

4. After the effective date of this order and on or before one hundred and twenty days after said effective date, in conformance with General Order No. 96-A, Pacific is authorized to file tariff schedules revised to show the Farmersville special rate area within its Visalia exchange with boundaries substantially as delineated on Exhibit A attached to Pacific's application and to show rates for service within said special rate area as set forth on Exhibit B attached to said application, except farmer line service shall be provided from, but not within, said special rate area. Said tariff schedules are to be effective on the date special rate area service is first rendered to the public under the authority

herein granted and shall become effective upon five days' notice to this 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 25th day of SEPTEMBER, 1962.

George E. Crowe
President
John P. Mitchell
John L. Fox
Walter H. Rugg
Frederick B. Hill
Commissioners