

ORIGINALDecision No. 65815

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA.

Application of THE PACIFIC TELEPHONE)
 AND TELEGRAPH COMPANY for authority)
 to establish the Point Arena Air Force)
 Station Special Rate Area within the)
 Point Arena Exchange. }

Application No. 45470
 (Filed May 27, 1963)

OPINION AND ORDER

By the above-entitled application, The Pacific Telephone and Telegraph Company, a California corporation, requests this Commission: (1) to authorize establishment of the Point Arena Air Force Station special rate area in the Point Arena exchange as proposed in the application; (2) to find the proposed rates shown in Exhibit C attached to the application and rules affecting rates proposed in Paragraph V thereof to be just and reasonable and to authorize the same to be made effective; and (3) to grant such other and further relief as may be proper in the premises. Applicant operates the Point Arena exchange in Mendocino County, California, and serves approximately 500 telephones within said exchange. Applicant states that its schedules on file with the Commission, namely, Cal. P.U.C. Nos. 4-T, 13-T, and 37-T, delineate the boundary of said exchange and the base rate area thereof and set forth the principal exchange services offered therein and the rates applicable thereto.

Exhibit A of the application shows the present and company proposed Point Arena exchange boundary and the location of the proposed special rate area. Said area is about 29 quarter miles from the base rate area. A portion of the proposed special

rate area is presently in unfiled territory. By Advice Letter No. 2509, dated June 18, 1963, applicant filed to revise its Point Arena exchange area, to include therein that unfiled territory described in its Tariff Proposal No. 63-102, and to have it made effective July 19, 1963.

Exhibit B of the application is a map of the proposed approximately 0.3 square mile special rate area. By memorandum of June 13, 1963, applicant stated that the special rate area is located in Township 12 N, R 15 W, NE corner of Section 20 and NW corner of Section 21.

Applicant alleges that the telephone development in the proposed special rate area consists of the Air Force Station and 27 housing units presently receiving service through four applicant-owned trunks, three public coin stations, and an Air Force owned switchboard located in the headquarters area. It is further stated that site work has been started for 18 additional housing units, planned for completion in late 1963 and that these housing units will be within the proposed special rate area.

Since providing residential telephone service to the housing units interferes with its military function the commanding officer of the 776th Radar Squadron at the Point Arena Air Force Base has requested applicant to provide direct service to such units in place of the present arrangement. It appears that each housing unit resident served presently pays to the federal government \$5 (plus 10% tax) per month for single party service and \$1.25 (plus 10% tax) per month for each extension telephone.

Applicant's proposed rates for primary service in the special rate area are set forth in the following tabulation. The

proposed rates are equivalent to Point Arena base rate area rates plus an amount equal to about three-fourths mile of suburban mileage charge.

Present Point Arena Exchange and Proposed Special Rate Area Rates

	<u>Rate Per Month</u>	
	<u>Present Point Arena Exchange*</u>	<u>Proposed S.R.A.</u>
<u>Business</u>		
1-Party	\$6.50	\$8.00
2-Party	5.10	6.15
Semipublic	.75 Plus	2.25 Plus
	.20 Per Day	.20 Per Day
PBX Trunks	9.75	11.25
Suburban	4.85	Not Offered
Farmer Line	1.30	1.60**
<u>Residence</u>		
1-Party	\$4.15	\$5.65
2-Party	3.35	4.40
4-Party	2.75	3.50
Suburban	3.25	Not Offered
Farmer Line	.80	1.10**

* Plus suburban mileage charges on urban services.
 ** Applicable to service connecting at the special rate area.

Applicant requests that the other rates and rules for the Point Arena exchange presently on file with the Commission remain applicable to the special rate area with the following exception.

Applicant proposes to furnish Point Arena urban grade service outside the base rate area and outside the proposed special rate area either at (1) special rate area rates plus presently filed mileage charges measured therefrom or at (2) base rate area rates plus presently filed mileage charges measured therefrom, whichever results in the lower charge to the subscriber. Applicant states that as of April 1963 no services would be affected by this proposed mileage measurement arrangement.

Applicant estimates that the proposed rates will increase its annual revenues by approximately \$1,100 and that the additional 18 housing units when completed will further increase its annual revenues by approximately \$1,100.

Applicant proposes to establish the Point Arena Air Force Station special rate area within six months after approval by the Commission of its application.

The Commission, after considering this application finds that a public hearing is not necessary and that granting the application should result in improved service and will be in the public interest.

The Commission further finds that such increases in rates or charges as will result from the granting of 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 Point Arena Air Force Station special rate area.

The Commission therefore concludes that the application should be granted.

IT IS ORDERED as follows:

1. Applicant is authorized to establish the Point Arena Air Force Station special rate area as set forth in its application.
2. Applicant is authorized to file with this Commission its proposed tariff schedules for the Point Arena Air Force Station special rate area as set forth in the application in conformance with General Order No. 96-A, which rates shall be effective:
(1) upon effective date of Advice Letter No. 8509 heretofore mentioned; (2) upon establishment of direct service by applicant to said housing unit residents desiring such service, and (3) after at least five days' notice to the Commission and to the public.
3. Applicant is authorized to amend its tariff schedules to provide Point Arena urban service outside the Point Arena or

special rate base areas at either Point Arena or special rate base area rates plus the mileage charge from the related base or special rate area, whichever results in the lower charge to the subscriber.

4. The authority granted herein shall expire within six months after the effective date hereof unless applicant renders the service hereby authorized.

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

Dated at San Francisco, California, this 6th day of AUGUST, 1963.

William L. Burnett
President

W. E. ...

George L. ...

Fredrick B. Holdhoff
Commissioners