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ORIGINAL

Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC
TELEPHONE AND TELEGRAPH COMPANY
for authority to establish the
El Dorado Hills special rate
area within the Folsom exchange.

Application No. 45600
(Filed July 16, 1963)

OPINION AND ORDER

The Pacific Telephone and Telegraph Company by the above-entitled application requests this Commission, pursuant to Section 454 of the Public Utilities Code of the State of California to authorize: (1) establishment of the El Dorado Hills special rate area in the Folsom exchange as set out in Exhibits A and B attached to the application; (2) the proposed rates shown in Exhibit C attached to the application; and (3) withdrawal of suburban telephone services within the proposed El Dorado special rate area.

Applicant operates the Folsom exchange in Sacramento and El Dorado Counties, California, and serves approximately 16,700 telephones within said exchange.

Applicant represents that there is public demand for and that it is in the public interest to establish the proposed El Dorado Hills special rate area.

Development in the proposed special rate area includes a public golf course and club house, cabana club, supermarket, elementary school, subdivision sales office and project manager's office and 39 occupied residences.

The special rate area as proposed encompasses Park Village, the initial unit of a substantial development project planned for the El Dorado Hills area. Park Village itself contains 321 residential lots with houses in various stages of construction. As of April 1963, applicant furnished service within the proposed special rate area to 38 subscribers to urban service and 4 subscribers to suburban service.

Applicant proposes rates for primary urban services within the El Dorado Hills special rate area equivalent to Folsom base rates plus an increment equal to two quarter miles suburban mileage charge. This increment gives appropriate consideration to estimated telephone development within the proposed special rate area and its distance of about sixteen quarter miles from the base rate area.

The present and proposed rates for principal classes of exchange service are set forth in Exhibit C and are as follows:

	<u>Rate Per Month</u>	
	<u>Present*</u>	<u>Proposed</u>
<u>Business</u>		
1-Party Flat	\$16.75	\$17.75
1-Party Message	7.50 (30)	8.50 (30)
Semipublic	3.10 plus .31 per day	4.10 plus .31 per day
FBX Trunks	25.00	26.00
Suburban	3.60	Not offered
Farmer Line	4.30	4.50**
<u>Residence</u>		
1-Party	\$ 7.20	\$ 8.20
2-Party	5.70	6.40
4-Party	4.85	5.35
Suburban	5.35	Not offered
Farmer Line	2.05	2.25**

* Plus suburban mileage charges on urban services.

** Applicable to service connecting at the Special Rate Area.

() Local message allowance. Each additional message is \$.0425.

Applicant proposes to furnish Folsom urban service outside the base rate area and the proposed El Dorado Hills 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 about 28 individual and party line subscribers will have their mileage charges reduced or eliminated.

Based on March 1963 telephone development, applicant estimates that the proposed rates would, assuming minimum regrading of telephone services, decrease applicant's annual revenues by approximately \$2,700. Assuming normal regrading, annual revenues would decrease approximately \$2,500.

Applicant proposes to establish the El Dorado Hills special rate area within 12 months after approval by the Commission.

The Commission has given consideration to this matter and finds that a public hearing 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 El Dorado Hills special rate area; therefore,

IT IS ORDERED that:

1. After the effective date of this order and on or before September 30, 1964, applicant is authorized and directed to file

with this Commission in conformance with General Order No. 96-A, tariff schedules revised to show El Dorado Hills special rate area within the Folsom exchange with a boundary substantially as set forth on Exhibits A and B attached to the application and rates for service within said special rate area as set forth on Exhibit C attached to the application, 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.

2. Applicant is authorized to withdraw suburban telephone service rates within the proposed El Dorado Hills special rate area upon establishment of such area.

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

Dated at San Francisco, California, this 3rd day of SEPTEMBER, 1963.

William B. ...
 President

Ed. ...

George ...

George ...

Frederick B. ...
 Commissioners