

ORIGINALDecision No. 66244

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE)
 AND TELEGRAPH COMPANY for authority)
 to establish the San Marcos special)
 rate area within the Escondido)
 exchange. }

Application No. 45831
 (Filed October 3, 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 San Marcos special rate area in the Escondido exchange as set forth 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 service within the proposed San Marcos special rate area.

Applicant operates the Escondido exchange in San Diego County, California, and serves approximately 18,500 telephones within said exchange.

The special rate area as proposed will encompass the business and residential areas of the City of San Marcos and includes 192 residences.

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

Development in the proposed special rate area includes the Palomar College with an enrollment of 3,200, an elementary school,

three churches, a county fire station, forestry service fire station, newspaper, four real estate offices, recreation hall, several gas stations and the local Chamber of Commerce. Also included is a shopping center containing a post office, drug store, two markets, a bank, two restaurants and a laundromat. As of June, 1962, applicant furnished service within the proposed special rate area to 100 subscribers to urban service and 83 subscribers to suburban service.

Applicant proposes rates for primary urban services within the San Marcos special rate area equivalent to Escondido base rates plus an increment equal to one-quarter mile of suburban mileage charge. This increment gives appropriate consideration to development within the proposed special rate area and its distance of about eight-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:

	Rate Per Month	
	<u>Present*</u>	<u>Proposed</u>
<u>Business</u>		
1-Party Flat	\$ 8.00	\$ 8.50
2-Party Flat	6.25	6.60
Semi-public	.75 plus	1.25 plus
	.22 per day	.22 per day
PBX Trunks	12.00	12.50
Suburban Flat	5.40	Not Offered
Farmer Line	1.80	1.90**
<u>Residence</u>		
1-Party Flat	\$ 4.65	\$ 5.15
2-Party Flat	3.60	3.95
4-Party Flat	3.00	3.25
Suburban Flat	3.50	Not Offered
Farmer Line	1.05	1.15**

*Plus suburban mileage charges on urban services.

**Applicable to service connecting at special rate area.

Applicant proposes to furnish Escondido urban service outside the base rate area and the proposed San Marcos 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 161 individual and party line subscribers will have their mileage charges reduced.

One subscriber to Vista suburban residence foreign exchange service will be within the proposed special rate area. Applicant proposes to offer this subscriber the opportunity to upgrade to an urban grade of service. If said subscriber elects to retain his present service, applicant proposes to file this service as a deviation.

Based on June 1962 telephone development, applicant estimates that the proposed rates would, assuming normal regrading of telephone services, decrease applicant's annual revenues by approximately \$8,700.

Applicant proposes to establish the San Marcos special rate area within 12 months after approval of applicant's proposal.

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 San Marcos special rate area; therefore,

IT IS ORDERED that:

1. After the effective date of this order and on or before November 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 the San Marcos special rate area within the Escondido 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 within the proposed San Marcos 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 5th day of NOVEMBER, 1963.

William C. Donald
President
George L. Hoover
Commissioners
Frederick B. Holbrook
Commissioners