

**ORIGINAL**Decision No. 66985

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE  
AND TELEGRAPH COMPANY for authority  
to establish the Leona Valley special  
rate area within the Palmdale exchange. }

Application No. 46035  
(Filed December 12, 1963)

OPINION AND ORDER

The Pacific Telephone and Telegraph Company requests this Commission to authorize: (1) establishment of the Leona Valley special rate area in the Palmdale 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 Leona Valley special rate area.

Applicant operates the Palmdale exchange in Los Angeles County, California, and serves approximately 11,000 telephones within said exchange.

The proposed special rate area encompasses an area along the Elizabeth Lake Road west of the Palmdale base rate area.

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

At the present time development within the proposed special rate area consists of a real estate office, market, automobile garage, beauty shop, church, and approximately 145 residences.

As of September 1963, applicant furnished service to eight subscribers to urban service and 118 subscribers to suburban service within the proposed special rate area.

Applicant proposes rates for primary urban services within the Leona Valley special rate area equivalent to Palmdale base rate plus an increment equal to three-quarter miles of suburban mileage charge. This increment gives appropriate consideration to development within the proposed special rate area and its distance of about twenty-six 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	\$ 7.00*	\$ 8.50
2-Party	5.60*	6.65
PBX - TK	10.50*	12.00
Semipublic	.75*	2.25
Daily Guar.	.21	.21
Suburban	5.10	Not Offered
<u>Residence</u>		
1-Party	\$ 4.40*	\$ 5.90
2-Party	3.60*	4.65
4-Party	3.00*	3.75
Suburban	3.50	Not Offered

\*Plus suburban mileage.

Applicant proposes to furnish Palmdale urban service outside the base rate area and the proposed Leona Valley 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. Applicant represents that on this basis the establishment of the special rate area will have no effect on the charges applicable to present urban services in the suburban area of the Palmdale exchange.

Applicant estimates that the proposed rates would, assuming normal regrading of telephone services, increase applicant's annual revenues by approximately \$700.

Applicant proposes to establish the Leona Valley special rate area within 12 months after authorization 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 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 Leona Valley special rate area; therefore,

IT IS ORDERED that:

1. After the effective date of this order and on or before March 31, 1965, applicant is authorized to file with this Commission in conformance with General Order No. 96-A, tariff schedules revised to show Leona Valley special rate area within the Palmdale exchange with a boundary substantially as set forth in Exhibits A and B attached to the application and rates for service within said special rate area as set forth in 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 Leona Valley 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 24<sup>th</sup> day of MARCH, 1964.

Stallanpeter Bennett  
President  
John S. Mitchell  
George H. Thayer  
Fredrick B. Holhoff

\_\_\_\_\_  
Commissioners

Commissioner Everett C. McKeage, being necessarily absent, did not participate in the disposition of this proceeding.