

**ORIGINAL**

Decision No. 69767

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE )  
 AND TELEGRAPH COMPANY for authority ) Application No. 47722  
 to establish the Crown Valley special ) Filed July 2, 1965  
 rate area within the Capistrano )  
 Valley exchange. )

OPINION AND ORDER

The Pacific Telephone and Telegraph Company has requested authority to establish the Crown Valley special rate area within the Capistrano Valley exchange in accordance with Exhibits A and B attached to the application, and to furnish urban grades of service at rates set forth in Exhibit C as follows:

	<u>Rate per Month</u>	
	<u>Present</u>	<u>Proposed</u>
<u>Business</u>		
1-Party Flat	\$ 7.30*	\$ 7.80
2-Party Flat	5.75*	6.10
Semipublic	.75 plus*	1.25 plus
	.20 per day	.20 per day
PBX Trunks	10.75*	11.25
Suburban	5.20	Not Offered
<u>Residence</u>		
1-Party Flat	4.40*	4.90
2-Party Flat	3.50*	3.85
4-Party Flat**	2.85*	3.10
Suburban	3.35	Not Offered

\* Plus suburban mileage charges.

\*\* Official note is taken of Decision 69573, dated August 24, 1965, in Application No. 47719, in which the company was authorized to withdraw 4-party line residence service at \$2.85 and to establish in lieu thereof 2-party line message rate service at \$2.85 with an allowance of 60 messages. The same authority to replace 4-party flat with 2-party message service will vest in establishment of rates for the Crown Valley special rate area. The authorized 2-party message rate will be \$3.10 with an allowance of 60 messages.

The special rate area covers approximately 5.2 square miles of area and includes approximately 390 business and residence services as of July 1, 1965. This area includes a church, a riding club, the El Niguel Golf and Country Club and numerous construction and sales offices associated with Crown Valley real estate development.

Several large residential subdivisions are now under development within the proposed special rate area and subdivision plans call for the construction of 5,000 new homes. As of January 1965, 151 new homes had just been completed and were as yet unoccupied, 338 new homes were under construction and 517 lots were being prepared for construction within the proposed special rate area. A large shopping center, which is nearing completion, will effect a substantial increase in business development within the proposed special rate area.

As of January 1965, applicant furnished 6 suburban residence services, 164 urban residence services and 16 urban business services within the proposed Crown Valley special rate area.

Applicant represents that the proposed rates would decrease its annual revenue by approximately \$7,700. It appears that granting the application should result in improved service and be in the public interest.

The Commission finds that the applicant's request should be granted; that a public hearing is not necessary; 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, would be unjust and unreasonable upon the establishment of the Crown Valley special rate area.

The Commission concludes that applicant's request should be granted.

IT IS ORDERED that:

1. After the effective date of this order and on or before August 31, 1966, applicant is authorized to file with this Commission, in conformance with General Order No. 96-A, tariff schedules revised to show the Crown Valley special rate area within the Capistrano Valley exchange with a boundary substantially as set forth in Exhibits A and B attached to the application and rates for service within the said special rate area as set forth in Exhibit C<sup>1</sup>

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<sup>1</sup> The rates authorized are to be in agreement with the authority granted by Decision No. 69473, in Application No. 47719, for withdrawing 4-party line residence service and establishing 2-party line message rate service. This 2-party line message rate shall be \$3.10 for the Crown Valley special rate area.

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 establishment of said special rate area.

2. Applicant is authorized to withdraw suburban telephone service within the proposed Crown Valley special rate area upon establishment of such special rate area.

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

Dated at San Francisco, California, this 13<sup>th</sup> day of OCTOBER, 1965.

Frederick B. Hallock  
 president

George L. Hoover

Augusta

William W. Bennett

Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.