

Decision No. 69884

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

MORRIS M. CONKLIN AND PETITIONERS,)
 Complainant,)
 vs.)
 GENERAL TELEPHONE COMPANY,)
 a corporation,)
 Defendant.)

Case No. 8117
(Filed January 22, 1965)

Investigation on the Commission's)
 own motion into the equipment,)
 services, facilities, operations,)
 practices and resulting rates of)
 the GENERAL TELEPHONE COMPANY OF)
 CALIFORNIA and THE PACIFIC TELE-)
 PHONE AND TELEGRAPH COMPANY.)

Case No. 8143
(Filed March 11, 1965)

- Jack Richards Becker and Morris M. Conklin, for complainant.
A. M. Hart and Donald J. Duckett, for defendant.
A. T. George, G. H. Eckhardt and R. W. Odgers, for The Pacific Telephone and Telegraph Company, respondent.
R. W. Russell and K. D. Walpert, for City of Los Angeles; William L. Knecht, for California Farm Bureau Federation; Joseph B. Geisler and Alan R. Watts, for City of West Covina; and Robert G. Beverly, for City of Industry; interested parties.
Harold J. McCarthy and James G. Shields, for the Commission staff.

INTERIM OPINION

These matters were consolidated and public hearings were held before Commissioner Mitchell and Examiner Gillanders at Covina on June 2, 3 and 4 and July 14 and 15, 1965. The matters were submitted at the conclusion of the July 15 hearing.

Complaint

The complaint herein alleges, in substance, that telephone service provided by defendant for the Cities of La Puente, Covina, West Covina, Baldwin Park, Azusa, Irwindale, Glendora, Walnut, Pomona and Industry is costly as compared with other telephone companies and that numerous service difficulties result in inability to make use of the telephone in the conduct of a business or profession.

The complaint requests the disfranchisement (sic) of defendant and its replacement by an organization qualified to enjoy the privileges of a public utilities corporation.

The answer of defendant avers that the complaint is so vague and uncertain that it is impossible to frame any issue capable of decision in a hearing.

For its defense, defendant avers, in substance that as early as 1962 it became aware that certain offices including the Baldwin Park, Covina and La Puente central offices were not meeting its service objectives; that considerable efforts were made during the year 1963, and years subsequent thereto, to bring these offices up to its standards; that a strike by its employees interrupted the work; that all central offices in the Covina Exchange are now in good working order; that a good preventative maintenance program has been established; that many trunk groups have been reinforced; that it has spent many millions of dollars in the Covina Exchange and contemplates spending many more millions in this exchange; that it has hired a number of new personnel, and increased its supervisory personnel and has undertaken other steps to improve its service. It further avers that some of its difficulties are due to serious shortages within the tandem offices of The Pacific Telephone and Telegraph Company. Defendant requests the complaint be dismissed or in the alternative that its motion to strike certain allegations in the complaint be granted.

Order Instituting Investigation

As a result of the allegations contained in Case No. 8117 and the fact that informal complaints totaling several thousand had also been received by the Commission relating to the same general complaints, the Commission ordered an investigation into the equipment, services, facilities, operations, practices and rates of General Telephone Company of California and The Pacific Telephone and Telegraph Company in the areas enumerated in the complaint.

Evidence

Complainant, through 51 witnesses, described examples of poor service which occurred in the areas under investigation during the past decade. These witnesses were mainly householders or small independent business people. Their testimony described many types of poor telephone service running the gamut from lack of facilities to furnish primary grades of service upon initial application for service to "dead" phones for an extended period of time after service had been established. The most numerous type of poor service described was the inability to complete calls -- both incoming and outgoing.

Two witnesses testifying on their own behalf described examples of poor service which they had experienced.

The City of West Covina, through two witnesses, described examples of poor service received by the city.

As defendant made no attempt to rebut the testimony of these witnesses, but instead had a large staff of management people immediately available to discuss each witness's complaint at the conclusion of his testimony in an effort to resolve the difficulty, a detailed resume of each type of service complaint is not required.

In addition to oral testimony, complainant presented approximately 1,000 questionnaires which had been published in a local newspaper, filled out by various individuals and returned to complainant. These were placed in the formal file and were then made available for public inspection.

Subsequent to the initial hearings, a field investigation was conducted by the presiding Commissioner. All parties to the matters were invited to participate. The investigation embraced the territory covered by the Order of Investigation. Particular emphasis was given to the causes of inability to complete calls and to what defendant had done and was doing to remedy this problem. The investigation confirmed that some efforts, as hereinafter discussed in connection with defendant's showing, have been made to improve defendant's facilities in this service area.

Defendant made its affirmative showing through three witnesses and 15 exhibits. The testimony of its construction program engineer may be summarized in the following manner: Service was poor over a period of years because its maintenance programs were not adequate; the inadequacies have now been removed and adequate controls established to insure proper future maintenance.

Its regulatory administrator testified that the complaints registered at the hearings had been checked and that presently those customers who testified are now receiving good service.

The testimony of its policy witness, a man of almost 37 years service with the company, who since 1953 has been its executive vice president and is a member of its board of directors may be summarized in the following question and answer:

"Q. But in all these various and sundry duties, you weren't aware as I understand it that there was a problem in Covina and Pomona?

A. Personally, I was not aware of it until I became aware of the concerted complaint here."

Exhibit 19 is a copy of defendant's practice PD 905.005 dated August 8, 1963, which is the policy directive regarding major standards of service. It sets forth the long range objectives which defendant intends to achieve and maintain. It is defendant's hope that the objectives will be met within five or six months.

Defendant's area general manager, was called as a witness by the presiding Commissioner. His testimony may be summarized as follows: He has been area general manager for a little over five years; he became aware of the overload conditions in approximately September 1964; he was not aware and is still not aware that many of the allegations regarding malfunctions of equipment are happening to the extent implied by complainant's witnesses; he meets regularly with top management and with his division managers; he conducts regular training courses; and at the present time he has an adequate staff. Respondent, The Pacific Telephone and Telegraph Company, offered a stipulation to the effect that during the years 1963 and 1964 certain of its tandem offices were overloaded and undoubtedly caused some service problems with message unit traffic; that as of February 1965, all tandem offices met its service objectives and have continued to do so to the present time; and that all indications are that objectives will be fully met in the future. No party to the proceeding objected to the stipulation and it was received into the record.

The city manager of the City of Industry testified that, to his knowledge, no plant had declined to establish or locate in the City of Industry because of any complaint or problem with General Telephone Company and its service. He presented a resolution of the City Council commending the General Telephone Company.

Twelve witnesses, from various areas included in the complaint, testifying on their own behalf stated that it was their opinion that the service rendered over the years was good and that they believed defendant was doing a good job.

The Commission staff, through one of its engineers, presented certain recommendations as to reports to be furnished to the Commission. Defendant's attorney agreed to furnish such information.

On the basis of the evidence, the more important aspects of which are hereinabove discussed, the Commission makes the following findings:

1. Telephone service rendered by defendant in the Cities of La Puente, Covina, West Covina, Baldwin Park, Azusa, Irwindale, Glendora, Walnut, and Pomona has in the past been below the standard which defendant should have rendered.

2. The record does not show that service in the above listed cities meets the service criteria under which defendant is presently operating (defendant's practice PD 905.005).

3. Telephone service rendered by defendant in the City of Industry has been and is presently satisfactory.

4. It is defendant's "hope" that service will meet its standards by February 1966.

5. The Commission will take further action unless defendant's "hope" of achieving its service standards by February 1966 is substantially met.

6. Respondent, The Pacific Telephone and Telegraph Company, has since February 1965 met its service objectives within its tandem offices which connect with defendant's offices within the areas enumerated in the complaint and therefore should be dismissed from Case No. 8143.

7. Further hearings in these matters should be held to receive testimony from defendant and the Commission staff which will inform the Commission as to the progress made in meeting the standards outlined in defendant's practice PD 905.005.

8. It is not necessary, at this time, to decide complainant's request for disfranchisement (sic) of defendant.

INTERIM ORDER

IT IS ORDERED that:

1. Submission is set aside and further hearings are set for March 3, 4 and 5, 1966 at Covina, California.

2. Defendant shall have its president -- as its top policy witness -- advise the Commission at the time and place set forth above what actions it has taken since January 1965 to provide satisfactory service in the areas specified in Case No. 8117 and Case No. 8143.

3. Defendant shall submit to the Commission at the further hearings a report detailing the action taken and the results obtained on service complaints presented to the Commission at its hearings in June and July 1965.

4. The Commission staff shall present testimony, at the time and place set forth above, which will inform the Commission whether or not defendant has met and continues to meet its service objectives in the Cities of La Puente, Covina, West Covina, Baldwin Park, Azusa, Irwindale, Glendora, Walnut and Pomona.

5. The Commission will hear testimony at the further hearings from the public and other interested parties on service conditions in the above listed areas. ✓

6. The Pacific Telephone and Telegraph Company is hereby dismissed from Case No. 8143.

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

Dated at San Francisco, California, this 27th day of NOVEMBER, 1965.

Frederic B. Hallock
President
George J. Crow
Commissioners
William L. Bennett
Commissioners