

ORIGINAL

Decision No. 71599

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of CALIFORNIA INTERSTATE TELEPHONE COMPANY, a Corporation, for authority to establish the Fort Irwin Exchange in the area comprising the Fort Irwin Military Reservation located contiguous to Applicant's Barstow Exchange; establish therein the Fort Irwin District Area, Toll Rate Center and Base Rate Area, and the Goldstone District Area, Toll Rate Center and Base Rate Area; and provide extended area calling between said proposed exchange and the area comprising the revised Barstow and proposed Lenwood Exchanges, pending under separate Application.

Application No. 48429  
(Filed 4/25/66)

OPINION AND ORDER

California Interstate Telephone Company (hereafter referred to as applicant) requests this Commission to authorize:

1. Establishment of a Fort Irwin Exchange, as shown in Exhibit E attached to the application.
2. Establishment of two district areas designated as Fort Irwin and Goldstone District Areas, as shown in Exhibit E attached to the application.
3. Establishment of Toll Rate Centers at Fort Irwin and Goldstone, respectively shown in Exhibits F and G attached to the application.
4. Establishment of a Fort Irwin Base Rate Area, as shown in Exhibit H attached to the application.
5. Establishment of a Goldstone Base Rate Area, as shown in Exhibit I attached to the application.
6. Provision of extended area calling between the proposed Fort Irwin Exchange and the Barstow and Lenwood Exchanges, as shown in Exhibit K attached to the application.

7. Filing and making effective new and revised maps, as shown in Exhibits E, H and I attached to the application.
8. The necessary revisions in the tariff schedules so that rates and charges filed therein shall not be applicable to the services provided within the proposed Fort Irwin Exchange except as covered in agreements between applicant and applicant's subscribers.

Applicant requested ex parte disposition of this matter to enable it to complete the changes by September 1, 1966, which was the proposed in-service date of the company's new microwave system in this area.

#### Purpose of the Proposal

Applicant presently serves the Fort Irwin Army Reservation under contracts, shown in Exhibit D attached to the application. The proposal is designed to recognize this service area as an exchange, partly complying with the requests voiced by the Army and Space Agencies served in that area.

#### Characteristics of the Area

The proposed Fort Irwin Exchange Area would coincide with the Fort Irwin Army Reservation containing the Fort Irwin District Area, including army facilities, barracks, depots, and some family housings, and the Goldstone District Area, including different space tracking projects far apart from each other, such as National Aeronautics and Space Administration ("NASA") and Jet Propulsion Laboratory ("JPL") sites. The proposed exchange is some 30 miles from Barstow, the nearest community, and accordingly has its major communication ties to or through Barstow.

#### Exchange Rates

Applicant requests that the proposed rates, to be established between the company and its customers in revised contracts, be authorized as shown in Exhibit J attached to the application.

Toll Rate Centers

Toll rates and private line charges presently are based on the distances from the Barstow Toll Rate Center. With the establishment of Fort Irwin and Goldstone Toll Rate Centers, toll rates will be calculated to and from these centers. By letter dated October 12, 1966, the company has requested that the proposed toll rate centers be authorized in the event exchange establishment is not authorized. This letter is hereby received as Exhibit 2.

Ex Parte Disposition

Applicant, to facilitate ex parte treatment, discussed and drafted its application in agreement with the request and desires of its major customers, who do not object to said subject application.

Merits of the Proposal

Inasmuch as the applicant will provide interconnection facilities to Fort Irwin and Goldstone Toll Rate Centers, the establishment of these centers is logical.

As for the rest of the proposal, applicant has not shown the need for exchange service at this time. The principal service to be provided will be private line; distribution facilities will be owned by customers; the open wire link to Barstow is owned by the Army; extended area calling would commute calls for distances in excess of 30 miles, and exchange earnings would be diluted. The need for sophisticated and reliable communications can best be provided on a contract basis as is the present case.

Commission Staff Investigation

The Commission staff made a field investigation on July 25 and 26, 1966, and on various occasions conferred with representatives of the applicant and customers. The results of the investigation are set forth in Exhibit 1, hereby received, in which the staff recommends that establishment of the Fort Irwin and Goldstone Toll Rate Centers be authorized but all other requests in the subject application be denied.

Findings

The Commission finds that establishment of an exchange at Fort Irwin at this time is not necessary or financially feasible, that establishment of the exchange at this time is unwarranted and that establishment of Fort Irwin and Goldstone Districts and Base Rate Areas is therefore unnecessary. The Commission also finds that establishment of the toll rate centers is in the public interest and should be authorized. The public interest can best be served at this time by continuing the communication services under contracts. Therefore,

IT IS ORDERED that:

1. California Interstate Telephone Company (applicant) is authorized to establish the Fort Irwin and Goldstone Toll Rate Centers.
2. All other prayers with respect to establishment of exchange, districts, and base rate areas are denied without prejudice.
3. The authorization herein granted will expire if not exercised within one year of the effective date of this order.

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

Dated at San Francisco, California, this 29<sup>th</sup> day of NOVEMBER, 1966.

President

Fredrick B. Holtzoff

William G. Beards

George T. Hoover

August

Commissioners

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