

Decision No. 71711**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY for authority to establish the Herndon special rate area within the Fresno exchange.

Application No. 48937
(Filed November 7, 1966)

OPINION AND ORDER

The Pacific Telephone and Telegraph Company has requested authority to establish the Herndon special rate area within the Fresno 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:

	Rate Per Month	
	<u>Present</u>	<u>Proposed</u>
<u>Business</u>		
1-Party	\$ 9.85*	\$10.35
2-Party	7.50*	7.85
Semipublic	1.20*plus .23 per day	1.70 plus .23 per day
PBX Trunks	14.75*	15.25
Suburban	5.60	Not Offered
Farmer Line	2.55	2.65#
<u>Residence</u>		
1-Party	\$ 4.85*	\$ 5.35
2-Party	3.60*	3.95
4-Party	3.00*	3.25
Suburban	3.50	Not Offered
Farmer Line	1.25	1.35#

* Plus suburban mileage charges.

Applicable to service connecting at the special rate area.

Other Rates and Rules in accordance with tariffs on file with the California Public Utilities Commission.

The special rate area covers approximately 0.2 square miles located on U.S. Highway 99, approximately 2 miles northwest of the Fresno exchange base rate area.

Development within the proposed special rate area consists of 100 residences, two grocery stores, three restaurants, four large service stations, a combination garage and station, a garage, a fruit processing plant, the California Liquid Gas Company's storage plant and a U.S. Post Office.

As of November, 1965, applicant furnished 19 suburban residence services, 2 suburban business services, 36 urban residence services and 14 urban business services within the proposed Herndon special rate area.

Applicant proposes rates for primary urban services within the Herndon special rate area equivalent to Fresno base rates plus an increment equal to one one-quarter mile suburban mileage charge. This increment gives appropriate consideration to development within the proposed special rate area, its distance from the nearest point on the base rate area boundary and the effect of establishing the special rate area upon applicant's revenues.

Applicant proposes to furnish Fresno urban service outside the base rate area and the proposed special rate area at the rates of the special rate area 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. As of November, 1965, there were 53 subscribers to urban service in the surrounding suburban area who would have their mileage charges reduced by this proposal.

Applicant represents that annual revenues would decrease by about \$800 after normal regrading. It appears that granting the application will result in improved service in the public interest; therefore,

The Commission finds 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 Herndon special rate area.

IT IS ORDERED that:

1. After the effective date of this order and on or before May 1, 1967, applicant is authorized to file with this Commission in conformance with General Order No. 96-A, tariff schedules revised to show the Herndon special rate area within the Fresno 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 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 the said special rate areas.

2. Applicant is authorized to withdraw suburban telephone service within the proposed Herndon 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 20th day of DECEMBER, 1966.

[Signature]
President

Fredrick B. Hildebrandt

[Signature]

Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner George G. Grover, being necessarily absent, did not participate in the disposition of this proceeding.