

ORIGINALDecision No. 72592

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY for authority to establish the La Costa special rate area within the Oceanside Exchange.

Application No. 49284
(Filed April 13, 1967)

OPINION AND ORDER

The Pacific Telephone and Telegraph Company has requested authority to establish the La Costa Special Rate Area within the Oceanside Exchange, San Diego County, in accordance with Exhibits A and B of the application, to furnish urban grades of service at rates set forth in Exhibit C of the application and shown below, to withdraw suburban service within the special rate area, and to offer urban service outside the base rate area and the special rate area according to the rules in paragraph V of the application. A summary of present rates and proposed SRA rates follows:

	Rate Per Month	
	<u>Present</u>	<u>Proposed</u>
<u>Business</u>		
1-Party	\$ 7.75*	\$ 8.75
2-Party	6.10*	6.80
Semipublic	4.00*	5.00
PBX Trunks	11.50*	12.50
Suburban	5.25	Not Offered
<u>Residence</u>		
1-Party	4.35*	5.35
2-Party	3.55*	4.25
4-Party	3.00*	3.50
Suburban	3.50	Not Offered

* Plus suburban mileage.

Other rates and rules in accordance with tariffs on file with the Public Utilities Commission of the State of California.

The above rates reflect SRA increments equal to two one-quarter mile suburban mileage charges. The special rate area is approximately 14 one-quarter miles from the base rate area boundary. Application of an increment equal to two one-quarter mile suburban mileage charges is appropriate and in keeping with increments applied in previously established special rate areas.

Establishment of the proposed La Costa Special Rate Area would not increase the rate of any present subscriber since present services (both business and residence) are all urban grades, now subject to mileage charges measured from the base rate area boundary. There is therefore no occasion for notification to subscribers.

The Commission staff has reviewed the application and has made a field inspection of the area. The staff report, wherein it recommends that the application be granted, is received in evidence as Exhibit No. 1. The staff investigation was made on March 27, 1967 (prior to the company's filing). The only recommendation of the staff for modification was a change in the then contemplated western boundary at the center line of El Camino Real to a 200 foot parallel offset west of the center line. This boundary change has been incorporated in Exhibit B of the application. The staff recommendation that the application be granted goes therefore to the application as filed.

The special rate area covers approximately 1 square mile and includes a subdivision planned for 313 new homes. As of July 1966, 112 of these new homes were completed, 36 more were under construction, and 97 lots were being prepared for construction. Density, based on either units already completed or total units, including those in imminent prospect of completion, is well within the range acceptable for special rate area treatment.

As of July 1966, applicant furnished 24 urban business services and 42 urban residence services within the proposed special rate area.

Applicant estimates that the proposed rates will decrease applicant's annual revenues by approximately \$6,000 after normal regrading. However, additional revenues should be realized in the near future from additional services as the subdivision develops.

Applicant states that the proposed special rate area service can be offered within six months after approval of applicant's proposal.

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 and 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 La Costa Special Rate Area.

IT IS ORDERED that:

1. The Pacific Telephone and Telegraph Company is authorized to establish the La Costa Special Rate Area as requested in the application.
2. After the effective date of this order, applicant is authorized to file with this Commission, in conformity with General Order No. 96-A, exchange maps revised to show the La Costa Special Rate Area within the Oceanside Exchange with a boundary substantially as shown in Exhibits A and B attached to the application.

3. Applicant is authorized to file, in conformity with General Order No. 96-A, rates for service within the said special rate area, as set forth in Exhibit C attached to the application and rules, as set forth in paragraph V of 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 area.

4. Applicant is authorized to withdraw suburban telephone service within the La Costa Special Rate Area coincident with establishment of said special rate area.

5. The authorization to establish said special rate area granted herein, will expire unless exercised within 8 months 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 9th day of JUNE 1967.

[Signature]
President

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

[Signature]

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

[Signature]
Commissioners