

**ORIGINAL**Decision No. 72702

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELE-  
PHONE AND TELEGRAPH COMPANY for  
authority to establish the Kyburz-  
Silver Fork Special Rate Area  
within the Placerville Exchange.

Application No. 49217  
(Filed March 16, 1967)

OPINION AND ORDER

The Pacific Telephone and Telegraph Company has requested authority to establish the Kyburz-Silver Fork Special Rate Area within the Placerville Exchange, El Dorado 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 Base Rate Area</u>	<u>Proposed Special Rate Area</u>
<u>Business</u>		
1-Party	\$ 7.00*	\$ 9.50
2-Party	5.50*	7.25
Semipublic	3.50*	6.00
PBX Trunks	10.50*	13.00
Suburban	4.95	Not Offered
Farmer Line	1.55	2.05**
<u>Residence</u>		
1-Party	4.20*	6.70
2-Party	3.25*	5.00
4-Party	2.70*	3.95
Suburban	3.20	Not Offered
Farmer Line	.90	1.40**

\*Plus suburban mileage charges.

\*\*Applicable to service connecting at special rate area.

The Commission staff prepared a memorandum report which is received in evidence as Exhibit No. 1.

To facilitate ex parte treatment of this application, the company was requested to notify all affected subscribers by letter of its intention to request authorization without public hearing. The letter included proposed rates and requested comments from the subscribers on the proposed new service. The company advises that sixteen favorable and no unfavorable comments were received.

The special rate area covers approximately 1.1 square miles and includes the Kyburz-Silver Fork area in the Placerville Exchange in El Dorado County approximately 21 miles east of Placerville on Highway 50.

As of February, 1967, applicant advised that 35 subscribers were within the proposed Kyburz-Silver Fork Special Rate Area with a forecast of 125 subscribers by the end of the third quarter of 1967. Development within the proposed special rate area consists of 226 units, 5 of which are business establishments, which indicates a density of 209 units per square mile. Exhibit No. 1 shows the area has been a semiresort area but now is changing to a more permanent occupancy. Seventy new homes were completed as of January, 1967 and 35 lots were being prepared for construction within the proposed special rate area. Forecasts for the expected growth yield the following:

<u>Time</u>	<u>Number of Subscribers</u>
Next 12 Months	155
24 Months	175
36 Months	200

A community dial office (CDO) is now under construction at Kyburz to meet this growing number and forecasts of subscribers. It is expected to begin service prior to the end of 1967. Exhibit No. 1 estimates the cost of this CDO at \$150,000, with outside plant allocation at \$45,000, a total estimated cost of \$195,000.

The distance from the Placerville base rate area to the proposed special rate area is  $85/4$ , therefore the applicant proposes an increment equal to  $5/4$  suburban mileage added to rates for urban grades of service within the proposed special rate area.

Applicant estimates that annual revenues would increase by about \$6,500 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 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 Kyburz-Silver Fork Special Rate Area. Therefore,

IT IS ORDERED that:

1. The Pacific Telephone and Telegraph Company is authorized to establish the Kyburz-Silver Fork 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 Kyburz-Silver Fork Special Rate Area within the Placerville 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 Kyburz-Silver Fork 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 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 1<sup>st</sup> day of JULY, 1967.

[Signature]  
President

[Signature]  
[Signature]  
[Signature]  
Commissioners

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