

ORIGINAL

Decision No. 72734

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY for authority to consolidate its Paso Robles and Templeton exchanges into a single exchange to be designated Paso Robles and establish Templeton special rate area within the new Paso Robles exchange, San Luis Obispo County, California.

Application No. 49281
(Filed April 12, 1967)

OPINION AND ORDER

The Pacific Telephone and Telegraph Company has requested authority to consolidate its Paso Robles and Templeton exchanges into a single exchange to be designated Paso Robles and establish the Templeton Special Rate Area within the new Paso Robles exchange, San Luis Obispo County, in accordance with Exhibit A of the application, to furnish urban grades of service at rates set forth in Exhibit B 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 rates follows:

PROPOSED PASO ROBLES-TEMPLETON CONSOLIDATIONPROPOSED TEMPLETON SPECIAL RATE AREAPresent and Proposed Exchange Rates
For Principal Classifications for Service

| | <u>Rate Per Month</u> | | | |
|------------------|-----------------------|------------------|--------------------|----------------------|
| | <u>Present*</u> | | <u>Proposed*</u> | |
| | <u>Paso Robles</u> | <u>Templeton</u> | <u>Paso Robles</u> | <u>Templeton SRA</u> |
| <u>Business</u> | | | | |
| 1-Party | \$ 7.00 | \$5.80 | \$ 7.00 | \$ 8.00 |
| 2-Party | 5.50 | 4.50 | 5.50 | 6.20 |
| PBX Trunks | 10.50 | 8.50 | 10.50 | 11.50 |
| Semi-Public | 3.50 | 3.00 | 3.50 | 4.50 |
| Suburban | 4.95 | 4.45 | 4.95 | Not Offered |
| Farmer Line | 1.55 | 1.15 | 1.55 | 1.75# |
| <u>Residence</u> | | | | |
| 1-Party | 4.20 | 3.70 | 4.20 | 5.20 |
| 2-Party | 3.25 | 3.00 | 3.25 | 3.95 |
| 4-Party | 2.70 | 2.45 | 2.70 | 3.20 |
| Suburban | 3.20 | 2.95 | 3.20 | Not Offered |
| Farmer Line | .90 | .70 | .90 | 1.10# |

* Plus suburban mileage charges on urban services.

Applicable to service connecting at the Special Rate Area.

The Commission staff has reviewed the application and has made a field investigation in the area. The staff report, wherein it recommends that the application be granted by ex parte decision, is made a part of the record as Exhibit No. 1.

According to Exhibit No. 1 the company has notified all subscribers in the area by letter of its intention to request authorization of its proposed changes of telephone service in the area. A letter was also sent to subscribers having Foreign Exchange service who would have their Foreign Exchange service changed to Paso Robles local service by this proposal. The letters included proposed rates and requested return of comments by May 5, 1967. There was a total of 108 favorable and 9 unfavorable comments.

During the field investigation several of the subscribers that had unfavorable comments were contacted by a staff representative. Some subscribers indicated they did not want the higher rates and that they did not call Paso Robles often. Comments were also made by various subscribers that they were not in favor of increased toll rates to areas outside the proposed Paso Robles exchange.

Paso Robles is considered the trading and agricultural center for the northern part of San Luis Obispo County. Smaller communities around Paso Robles depend on it for most of their goods and services. The residents of Templeton share many social and economic interests with Paso Robles residents. In recent years many of applicant's customers located in the Templeton area have asked the applicant to include Templeton and Paso Robles within the same calling area and thereby eliminate toll charges between them.

Applicant states that as of February 28, 1967, the Paso Robles exchange served 5,864 telephones and the Templeton exchange served 444 telephones. The interexchange rate mileage between the two exchanges is 6 miles and the initial period day station message toll telephone rate is 10 cents. The consolidation proposed by the company will provide for retention of the present Templeton central office with no number changes except for Paso Robles foreign exchange service subscribers. As of January 1967, there was one Paso Robles business FEX subscriber to urban service and 13 residence FEX services who would have their FEX services changed to Paso Robles local service by this proposal. The Templeton subscribers will continue to be listed in the San Luis Obispo County directory, but combined under the heading Paso Robles - Templeton and will have a community designation following their listing. The Templeton central office serving area will remain approximately the same after consolidation.

Templeton subscribers do not have direct distance dialing. Paso Robles one-and two-party business and residence subscribers do have this service. Consideration should be given by the company to provide direct distance dialing to Templeton subscribers as soon as possible.

Applicant estimates the changes proposed herein will result in annual costs \$1,000 less than costs of present serving arrangements, and that the proposed changes will decrease toll revenue by approximately \$4,100 annually and increase exchange revenues by \$3,900 annually.

As proposed by applicant the present Templeton Base Rate Area will become the Templeton Special Rate Area in the Paso Robles exchange. The Templeton toll rate center will be discontinued. The toll rate center of the present Paso Robles exchange will become the toll rate center of the consolidated exchange. This will result in some changes to existing message toll telephone rates applicable to present Templeton exchange subscribers as shown in Exhibit C of the company's application.

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 consolidation of the Paso Robles and Templeton exchanges and the establishment of the Templeton Special Rate Area.

IT IS ORDERED that:

1. The Pacific Telephone and Telegraph Company is authorized to consolidate the Paso Robles and Templeton exchanges

- thereby enlarging the Paso Robles exchange, and to discontinue its Templeton exchange and toll rate center, as requested in the application.
2. Establish the Templeton Special Rate Area as shown in Exhibit A of the application.
 3. 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 enlarged Paso Robles exchange, and the Templeton Special Rate Area within the Paso Robles exchange with boundaries substantially as shown in Exhibit A attached to the application.
 4. Applicant is authorized to withdraw suburban telephone service within the Templeton Special Rate Area coincident with establishment of said special rate area.
 5. Applicant is authorized to cancel and withdraw the exchange rates now on file for the Templeton exchange, cancel and withdraw foreign exchange service rates now on file between Templeton and Paso Robles exchanges, and cancel and withdraw message toll telephone service rates between the Paso Robles and Templeton exchanges.
 6. Applicant is authorized to establish and to file, in conformity with General Order No. 96-A, exchange rates for the Templeton Special Rate Area and enlarged Paso Robles exchange, as set forth in Exhibit B 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, to make said

rates effective for service coincident with establishment of the said enlarged Paso Robles exchange and Templeton Special Rate Area.

7. The authorization to consolidate the Paso Robles and Templeton exchanges, and to establish Templeton Special Rate Area, granted herein, will expire unless exercised within eighteen 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 11th day of JULY, 1967.

Robert E. Hutchins
President

Stallman L. Bernal

Augustin

William J. ...

Jack P. ...
Commissioners