

ORIGINAL

Decision No. 73248

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of GENERAL TELEPHONE COMPANY OF CALIFORNIA, for authority to establish extended service between certain of the central office areas of applicant's Covina and Pomona, Pomona and Ontario, and Ontario and Etiwanda exchanges, to establish rates for said extended service, to cancel and withdraw present exchange service rates in certain of the central office areas of said exchanges and to cancel and withdraw message toll telephone service rates now in effect between certain central office areas of said exchanges.

Application No. 47330
(Filed February 15, 1965)
(Amended August 4, 1965)

MORRIS M. CONKLIN and PETITIONERS,
Complainant,

vs.

GENERAL TELEPHONE COMPANY, a corporation,

Defendant.

Case No. 8165
(Filed April 22, 1965)
(Amended August 9, 1965)

Investigation on the Commission's own motion into the rates, rules, regulations, tariffs, contracts, service, equipment, and facilities of GENERAL TELEPHONE COMPANY OF CALIFORNIA and of THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY in, to, from or related to the Covina, Pomona, Ontario, and Etiwanda exchange areas of General Telephone Company of California.

Case No. 8205
(Filed June 22, 1965)

(Appearances are shown in Appendix B)

O P I N I O N

General Telephone Company of California (General) by
Application No. 47330 seeks authority to establish extended service

between certain central office areas in its Covina, Pomona, Ontario, and Etiwanda exchanges.

Case No. 8165 is a complaint filed by Morris M. Conklin and petitioners seeking, among other things, expanded calling areas at lower rates for certain cities located within General's Covina and Pomona exchanges.

Case No. 8205 instituted by the Commission is an investigation into the reasonableness and adequacy of telephone service in and between the Covina, Pomona, Ontario, and Etiwanda exchanges. Pacific was named as a respondent as well as General because Pacific performs the trunking for all four exchanges in which General proposes extended service including trunking between those exchanges. Furthermore, General's proposal as filed, contemplated Pacific participating through a toll continuation plan whereby cost settlement on toll traffic commuted to extended service traffic would remain in the settlement as toll.

Pacific objected to participating on the basis as proposed by General and moved that the proceedings be dismissed insofar as they pertained to Pacific on the basis that the Commission is without jurisdiction to order its participation. Said motion was denied without prejudice by order dated September 14, 1965.

These matters were heard on a consolidated record before Commissioner Grover and Examiner Patterson on August 11, 12, and 13, 1965, in Pomona; September 15, 16, and 17, 1965, in

West Covina; November 3, 4, and 5, 1965, January 19, March 23, 24, and 25, April 21, and December 7, 1966, in Los Angeles. The extension of hearings over such a long period of time was due primarily to complexities presented by the proposed involvement of Pacific in the toll continuation plan. The matters were temporarily taken off calendar on two occasions pending completion of negotiations between General and Pacific on cost settlements for interexchanged traffic across common boundaries in the Los Angeles extended area as such negotiations could have an effect on the matters under consideration herein.

By letter dated January 23, 1967, General advised all parties that after reviewing its position it proposed to offer extended area service at the rates set forth in Exhibit 33 without requiring Pacific's participation either in the provision of plant or in settlements. Under the terms of the letter, as prescribed by the Commission, the matter would be submitted for final decision unless a substantial amount of objections were received to the proposal. Substantial objections were received and therefore adjourned hearings were held before Examiner Patterson in Covina on March 8 and 9, 1967.

At the adjourned hearings a brief presentation was made by General as to the negotiations with Pacific and other considerations which resulted in its offer to provide extended area service without Pacific's participation. Exhibit 51 and late-filed Exhibit 53 were presented by the staff to provide

an evaluation of a proposal by Conklin to include three additional routes in the extended area service plan. The matters were submitted subject to the receipt of late-filed Exhibit 53 and concurrent briefs. Said exhibit and the briefs have been received and the matters are now ready for decision.

Present Service

General's present serving arrangements in the area under consideration may be described as follows. The four exchanges involved are General's Covina, Pomona, Ontario, and Etiwanda exchanges which lie adjacent to each other in that order from west to east.

The Covina exchange is a peripheral exchange of the Los Angeles Extended Area and its subscribers presently have extended area service (EAS) inward in a westerly direction to the Monrovia, Arcadia, El Monte, and Whittier exchanges. It is a large exchange in area of approximately 104 square miles and is comprised of six central office (C.O.) areas. The Azusa, Baldwin Park, and La Puente C.O. areas are in the westerly portion of the exchange, and the Glendora, Covina, and Rowland C.O. areas are in the easterly portion, adjacent to the Pomona exchange. The principal cities within the exchange are Azusa, Baldwin Park, Covina, City of Industry, La Puente, West Covina, and Glendora. The common boundary between the Covina and Pomona

exchanges is also the boundary separating the 213 NPA (Numbering Plan Area) on the west from the 714 NPA on the east.

The Pomona exchange is also a large exchange of approximately 155 square miles. It is composed of six C.O. areas with San Dimas, La Verne, and Walnut adjacent to the Covina exchange, Pomona located in the center and Claremont and Chino being adjacent to the Ontario exchange to the east. The principal cities within the Pomona exchange are Pomona, San Dimas, La Verne, Claremont, Chino, Montclair, and Walnut. Small portions of the cities of West Covina, Industry, and Glendora also extend into the Pomona exchange.

The Ontario exchange is also a large exchange of approximately 140 square miles. Its principal cities and C.O. areas are Ontario, Upland, and Cucamonga. The Upland and Ontario C.O. areas are adjacent to the Pomona exchange to the west and the Cucamonga C.O. area adjoins the Etiwanda exchange to the east.

The Etiwanda exchange is a relatively small exchange of approximately 20 square miles with one central office.

Applicant's Proposal

Applicant's proposal for extended service is directed mainly toward the solution of boundary problems along the common exchange boundaries. For this reason the routes proposed are generally restricted to those between central office areas

contiguous to, or separated by narrow corridors from the common exchange boundaries. Diagonal or "criss-cross" routes such as Rowland-San Dimas and Walnut-Glendora are also included so that the effect of the plan is to join the C.O. areas along either side of the boundaries into belts so as to avoid future boundary problems across east-west boundaries. In the case of routes between the Ontario and Etiwanda exchanges, however, the entire exchange, at both ends of the routes, is involved. It should be noted however, that Etiwanda is a small exchange with less than 300 subscribers. Maps showing the proposed extended service calling area of each exchange and central office are contained in Exhibit 5. A total of 42 routes is proposed (on 21 two-way routes).

Rates proposed for the extended service were attached to the application. By first amendment filed August 4, 1965, General proposed to increase its foreign exchange rates for service originating in the proposed extended service area. Other minor modifications were also included in the amendment.

In January 1966, certain reductions were effected in applicant's exchange rates including those for the four exchanges involved in these proceedings. Since applicant did not wish to alter its proposed incremental increases, lower proposed rates for the extended service resulted and applicant's amended proposed rates as compared with the reduced rates which became effective in January 1966, are all set forth in Exhibit 33. A brief summary of present and proposed rates for the two major classifications of service, one-party residence and one-party business, follows:

Exchanges and Central Offices	Basic Monthly Exchange Rate for One-Party Service					
	Residence			Business		
	Present	Proposed	In-crease	Present	Proposed	In-crease

Covina

Azusa, Baldwin Park & LaPuenta*	\$ 5.10	\$ 5.10	0	\$12.20	\$12.20	0
Covina, Glendora & Rowland	5.10	5.70	.60	12.20	13.60	1.40

Pomona

LaVerne, San Dimas, Walnut, Chino & Claremont	4.95	5.55	.60	8.90	11.80	2.90
Pomona	4.95	5.80	.85	8.90	12.30	3.40

Ontario

Ontario & Upland	4.85	5.70	.85	8.40	11.80	3.40
Cucamonga	4.85	4.85	0	8.40	8.40	0

Etiwanda

Etiwanda	4.35	4.85	.50	7.40	8.40	1.00
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* No additional extended service proposed for these three Central Offices.

The proposed rates were designed on the basis of a differential study to return sufficient additional revenue, \$1,264,633 to virtually offset the additional revenue requirement of \$1,265,285 resulting from loss of toll revenue and other revenue and cost effects (Exhibit 6). The balancing of cost and revenue requirements at the rate levels proposed by General was dependent upon implementation of a new form of settlement with Pacific which came to be known as a toll continuation plan. It was intended that application of this plan would not affect the statewide toll settlement, the earnings of the statewide toll operation, or the earnings of Pacific. In brief, this plan proposed that Pacific continue to furnish the interexchange plant now provided for toll over routes proposed for EAS treatment, together with the additional interexchange plant required by stimulation. Further, all of this interexchange plant was to be directly assigned to toll and the annual charges of the increased plant were to be offset by the cost saving to the statewide toll operation as a result of no longer handling the EAS traffic as toll. By application of a "destimulation factor," to be determined by measuring traffic over the routes before and after EAS, it would be assured that no more of General's plant would be allocated to toll than would be the case if the EAS traffic remained toll. Exhibit 7 shows that without participation of Pacific in such a plan, the revenue requirement to be offset by exchange rates would be \$2,485,048 or almost double that required under the toll continuation plan.

Boundary Problems

Boundary problems exist wherever subscribers are located so close to an exchange boundary that their local calling radius is truncated on the boundary side so that they may be paying toll charges when calling a very short distance in that direction.

Where exchange boundaries are located along geographical features or in sparsely populated areas substantial separation between subscribers in the adjacent exchanges exists so that boundary problems are minimal. This was the situation when the existing exchange boundaries for these four exchanges were established. As the Los Angeles metropolitan area expanded eastward boundary problems along the western boundary of the Covina exchange were alleviated when Covina subscribers were given EAS calling westward into adjacent exchanges.

Boundary problems along the common boundary between the Pomona and Ontario exchanges have existed for some years, particularly where that boundary cuts through the City of Montclair (formerly Monte Vista). In 1957 the Commission found that the public interest did not require the establishment of EAS between certain central office areas of the Pomona and Ontario exchanges.^{1/} In 1962 authorization was granted for an experimental offering of optional interexchange service at

^{1/} Decision No. 55177, June 25, 1957, in Application No. 38702.

increased charges within designated areas along this common exchange boundary but this service has not met the needs.

In recent years boundary problems have arisen along the common boundary between the Covina and Pomona exchanges. These problems are the result of growth of communities and cities adjacent to and across such boundaries.

Material in the record, principally that presented by the staff shows that the extent and nature of boundary problems can be gauged by several factors. First, by the number of subscribers who are located within one mile of one of the common exchange boundaries over which EAS is proposed. The numbers and locations of such subscribers are shown graphically and in tabular form by cities and by subdivisions in the staff's Exhibit 36. The totals of such subscribers by exchanges may be summarized briefly as follows:

<u>Exchange</u>	<u>No. of Primary Stations Within One Mile of Common Exchange Boundaries</u>	
	<u>June 1965</u>	<u>Estimated 1970</u>
Covina	4,853	7,880
Ontario	6,379	8,150
Pomona	<u>11,014</u>	<u>15,560</u>
Totals	22,246	31,590

The significance of the above figures is that presently the 22,246 subscribers as of June 1965 and the 31,590 estimated subscribers by 1970 have their calling radius truncated on the boundary side so that they are required to pay toll charges or other extra charges for calls between points which may be a mile or less apart.

The other extra charges referred to are the additional charges assessed for the experimental optional service provided in certain designated areas along the Pomona-Ontario exchange boundary, or the charges for foreign exchange service (FEX).

The rapid growth of FEX service provides a ready indication of the location and nature of particular boundary problems. This may be illustrated by the following tabulation taken from staff exhibits.

<u>FEX Service</u>	<u>At June 30, 1963</u>		<u>At Nov. 12, 1965</u>		<u>Percent Avg. Annual Growth Rate Over 28.4 Mo. Period</u>
	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>	
COVINA FEX in Pomona Exchange	568	95%	1,461	96%	66%
POMONA FEX in Covina Exchange	<u>32</u>	<u>5%</u>	<u>56</u>	<u>4%</u>	<u>31%</u>
TOTAL FEX between COVINA and POMONA Exchs.	<u>600</u>	<u>100%</u>	<u>1,517</u>	<u>100%</u>	<u>65%</u>
POMONA FEX in Ontario Exchange	491	53%	725	57%	20%
ONTARIO FEX in Pomona Exchange	<u>434</u>	<u>47%</u>	<u>556</u>	<u>43%</u>	<u>12%</u>
TOTAL FEX between POMONA and ONTARIO Exchanges	<u>925</u>	<u>100%</u>	<u>1,281</u>	<u>100%</u>	<u>16%</u>

The FEX data indicates that there is a large interest in calling from the Pomona to Covina exchange but very little interest in the reverse direction. A further breakdown of the above figures, as shown in Exhibit 38, reveals that 452 of the 568 Covina FEX services in Pomona exchange as of June 30, 1963, and 1,280 of the 1,461 as of November 12, 1965, were in the San Dimas and Walnut C.O. areas. Since the evidence tends to show that much of this FEX development has been in residential areas the seriousness of the boundary problems becomes apparent.

Other criteria commonly used to test the need for EAS are block usage data and community of interest factors. The block usage data presented in staff exhibits shows that for Glendora, Covina, and Rowland C.O. areas of the Covina exchange, and over routes proposed by applicant into the Pomona exchange, the average toll usage per residential account is only 20 cents per month and that only 10 percent of the subscribers use more than 50 cents per month. Over other routes proposed in the application the average toll usage per residential account ranges from 51 cents to \$1.60 per month and the percentage using over 50 cents per month range from 23 percent to 68 percent. The contrast is not fully indicated since FEX messages are not included in the block usage data and FEX development is relatively low in the Covina Exchange.

Community of interest factors ^{2/} over the proposed routes are generally low. This is a reflection of the fact that we are dealing with exchanges which have boundary problems but which are also large in area and thus the high community of interest factors which exist along the boundaries are diluted. Some dilution is also caused by the high FEX usage. The only factors of significant

^{2/} Toll calls per main station per month.

value are those between the Pomona and Ontario exchanges, such as 7.73 from Chino to Ontario, 6.69 from Ontario to Pomona, 4.57 from Ontario to Claremont, 3.64 from Claremont to Ontario, 3.52 from Upland to Pomona and 3.51 from Cucamonga to Pomona. Factors for routes across the Pomona-Covina boundary are all less than 3.00 and those measured from the Covina end are all less than 2.00. Moreover of the 12 routes between the Pomona and Covina exchanges eight are higher in the direction of Pomona to Covina.

Acceptability of Proposal

The acceptability of applicant's proposal must be viewed in the light of all the complicating factors created by the extensive area covered and the diverse calling needs of subscribers throughout that extensive area; the protracted nature of the proceedings; the alternative proposals for rates and certain routes made by the staff and Mr. Conklin, and the pre-occupation with the issue of Pacific's participation in the plan.

In the initial phases of the proceedings in 1965, testimony and statements were received from many public witnesses ranging from unqualified support to outright rejection. It is difficult to classify the position of a number of the witnesses as they supported parts of the plan but opposed other parts. Of approximately 60 individuals who presented their positions with respect to the proposal, about one-half could be classified as supporting or not objecting to the plan, and the other one-half as opposed to it. A simple tally such as this is not determinative, however, as the nature of the individual's representation must be considered as well as his location with respect to

the exchange boundaries. In general it may be said that the strongest support for the plan came from Cities, Chambers of Commerce, and similar organizations. The notable exception to this may be observed in the case of the Covina exchange. There was not a single city or organization from that area which came forward to support the plan with the exception of the Assistant Superintendent of Schools for the Rowland School District who stated he was not opposed to the proposal but suggested that perhaps the plan should be even more extensive if it is to take care of future needs. One business subscriber in the Covina area supported the proposal.

Many from the Covina exchange were definitely opposed to the proposal. Virtually no support was expressed by subscribers in the three easterly central offices of the Covina exchange, Glendora, Covina, and Rowland who would receive EAS across the boundary into contiguous or near-contiguous areas in the Pomona exchange. Curiously enough it was representatives from Baldwin Park and La Puente, two of the westerly central offices in the Covina exchanges, and which are not included in the plan, that indicated a desire for eastward calling into the Walnut area of the Pomona exchange. Also a large number of public witnesses located in the Galaxy Tract in the Walnut area expressed their needs for calling over the reverse routes into the Baldwin Park and La Puente C.O. areas.

The City of West Covina took a very strong position in opposition to applicant's proposal, testimony being presented by the City Manager, representatives of the Chamber of Commerce

and many public witnesses. The objections expressed were based on the fact that the City of West Covina subscribers are served from four central offices, Baldwin Park, La Puente, Covina and Rowland of the Covina exchange, and Walnut central office of the Pomona exchange. Since the City of West Covina's city hall, fire, police, and other municipal services are located in the Baldwin Park C.O. area the city's residents served from the Walnut central office, mainly the Galaxy Tract, would continue to pay toll charges under the plan as at present when calling for any of the municipal services. In addition, the plan would create a new artificial split in the city's business community by providing EAS between a portion of the Pomona exchange and Covina and Rowland subscribers but excluding it from Baldwin Park and La Puente subscribers. Moreover, the two major shopping centers for the East San Gabriel Valley would be separated by this split. The record shows that the aggravation would undoubtedly increase in the future as the only area left for future development of the City of West Covina lies to the southeast in the Walnut C.O. area and in the area just north of the Galaxy Tract where Home Savings and Loan proposes to develop a community with a potential of 18,000 to 20,000 residents astride the boundary between the Covina and Pomona exchanges.

Testimony of public witnesses as to the acceptability of applicant's proposal, in general, was related to the level of increased charges proposed by applicant. It was apparent that those increases would impose a considerable burden on retired or elderly persons with limited income and minimum calling needs who were opposed to any increases in charges.

The City of San Dimas (in the Pomona Exchange) made a plea for shifting the common exchange and NPA boundary in the southern part of the city so that a large subdivision under

development would not be split by the boundary. The record reveals that if the proposed EAS is established, toll across this boundary would be eliminated.

In summary it may be said that except for the level of certain charges, applicant's proposal would meet the calling needs of the Ontario and Etiwanda exchange subscribers and with the exception of the Walnut C.O. area it would meet the needs of the Pomona exchange subscribers. The proposal in no way, however, appeared to meet the needs of subscribers served from the Covina exchange.

Staff Presentation

A staff engineer made a thorough study of applicant's proposal and compared it with the EAS service which has been provided by applicant in similarly situated exchanges in the Los Angeles Extended Area and Orange County. His analysis, recommendations and conclusions are set forth principally in Exhibit 36 and associated exhibits.

The staff witness supported General's application as to proposed routes, the need for an EAS offering and need for and soundness of a toll continuation plan or a reasonable equivalent. The staff opposed the application only in the matter of EAS rate increments and rate levels for residence service. The staff supported lower EAS residence exchange rate increments, particularly for the Covina exchange. These lower rate increments were based on the premise that the four exchanges should be given extended area treatment comparable to that provided to similarly situated exchanges in the same general vicinity^{3/} and which, in turn, reflected the principle of comparable rates for comparable

^{3/} Decision No. 52494 dated January 23, 1956 in Applications Nos. 36943 and 37362.

service. Comparability as to location, area, number of subscribers and rate levels is shown in great detail by the staff engineer in Exhibit 37 and Chapter 4 of Exhibit 36.

General's proposal to give the three eastern central office areas of the Covina exchange (Glendora, Covina, and Rowland) extended calling eastward into a portion of the Pomona exchange is consistent with treatment already given to the eastern central office areas of applicant's other exchanges along the eastern side of the Los Angeles Extended Area, namely the South and Valley View and La Habra and Whitwood C.O. areas of the Whittier exchange, the Artesia C.O. area and the Norwalk C.O. area of the Downey exchange, and the Lakewood and Alamitos and Termino C.O. areas of the Long Beach exchange. As shown by Table 4-G of Exhibit 36, each of the C.O. areas in any one of those particular exchanges have identical calling areas within the Los Angeles Extended Area but the C.O. areas contiguous to the Los Angeles Extended Area boundary have a "fringe benefit" of being able to call across the boundary into contiguous or portions of contiguous exchanges in N.P.A. 714 in Orange County. The exhibit shows that rates for residence service in the C.O. areas that have this "fringe benefit" are uniformly 10 cents higher than comparable rates for the C.O. areas without this "fringe benefit". Moreover, as explained in footnote (c) to the table when the EAS service was established by Decision No. 52494, the 10 cents differential existed only for the La Habra and Whitwood C.O. areas of the Whittier exchange and it was only made applicable to the other C.O. areas at the time of the January 1966 reduction in rates.

The staff witness was of the opinion that since the "fringe benefit" being offered to Covina, Glendora, and Rowland subscribers (27,842 additional stations) was no better than that provided in the comparable C.O. areas of the Whittier, Downey, and Long Beach exchanges (13,348 to 41,614 stations), the incremental charge should be in the range of 10 cents rather than the 60 cents proposed by applicant, for one-party residence service.^{4/}

Similar comparisons were made between General's proposals for the Pomona, Ontario, and Etiwanda exchanges and comparable nearby exchanges which demonstrated that with the exception of Etiwanda the proposed increases in charges for residence service were higher and would result in higher charges when compared with the benefits offered than existed in comparable exchanges.

The staff witness took no exception to General's proposal for business rates and the comparisons presented showed no particular problem to exist except for the contrast between flat rate service and message rate service which exists for the small use business service subscriber. This problem was also brought out by testimony of several public witnesses but the disparity is a matter of general rate design which is not within the scope of these proceedings.

^{4/} Two-party 45 cents, four-party 35 cents and Suburban 40 cents.

Based upon the comparisons he made the staff witness prepared a set of trial rates for residence service and he showed that the revenue effect of applying such rates would result in a reduction from applicant's proposed rates of \$275,011 of which \$179,176 was accounted for by the differential for the Covina, Glendora, and Rowland C.O. areas. (Table 4-E in Exhibit 36.) In his testimony at the close of the proceedings the staff witness supported his trial rates as recommended rates in lieu of those proposed by General.

Conklin's Position

Conklin, in his complaint, alleged inadequacy of the present local calling areas provided for La Puente, Covina, West Covina, Baldwin Park, Azusa, Irwindale, Glendora, Walnut, and Industry. He supported his allegations with testimony and exhibits which compared the extended service available to those areas now and as proposed, with the extended service provided by General and Pacific in the Los Angeles Extended Area and nearby areas. He contended that the Azusa, Baldwin Park, and La Puente C.O. areas should not have been excluded from the EAS proposal but he, in no way, supported General's plan.

Conklin was especially critical of the level of rates General proposed. He supported the lower rates advanced by the staff but he was of the opinion that if the staff rates were ordered by the Commission they would still be too high for the service rendered and he urged that the Commission, through further hearings, continue to investigate such rates taking into consideration the quality of service rendered.

Aside from the rate level aspect Conklin conceded that General's proposal would meet the calling needs of the Ontario and Etiwanda exchanges and also of the Pomona exchange excluding therefrom, however, the Walnut and San Dimas C.O.s. He pointed out that the westward calling to be afforded Walnut subscribers into Rowland C.O. constituted only a two-mile band at its narrowest width and that the needs of subscribers in the Galaxy Tract to call into the Baldwin Park C.O. area of Baldwin Park and La Puente subscribers to call in the reverse direction into Walnut C.O. had been well expressed by public witnesses. He further stressed the problem created by dividing the business community of West Covina which had also been described by other witnesses.

To meet the basic objections which arose from excluding the three western C.O. areas in the Covina exchange from the plan, Conklin, late in the proceeding, proposed that three additional routes be added to the EAS plan. These routes would provide extended service between the C.O. areas of Baldwin Park and Walnut, La Puente and Walnut, and Azusa and San Dimas. He also proposed that the rate increments to be applied in Azusa, Baldwin Park, and La Puente C.O. areas be 5 cents a month for residence service and 10 cents a month for business service. He further proposed a one-party business EAS increment for the Glendora, Covina, and Rowland C.O. areas of 25 cents a month in lieu of the \$1.40 a month increment proposed by General.

By Exhibit 51 the staff witness provided an evaluation of Conklin's proposal and related it to the staff's previously expressed position. The staff witness supported the Conklin proposal with the exceptions as hereinafter noted. His support was based on the fact that the proposal while adding only three routes, solved the major objections which had been expressed by West Covina, La Puente, Baldwin Park, and Walnut interests, and it did so without adding to the overall net cost of the proposal. The staff witness rejected Conklin's suggestion to decrease General's proposed business one-party EAS increment from \$1.40 a month to 25 cents a month for the Glendora, Covina, and Rowland C.O.s as being wholly inconsistent with the record and with staff acceptance of General's proposed business service increases. He did accept, however, Conklin's proposed increments of 10 cents a month for business service and 5 cents a month for residence service for the Azusa, Baldwin Park and La Puente Central Office Areas which were brought into the EAS plan for the first time with one extended route each by the Conklin proposal. To balance the rates as between these western central office areas of the Covina Exchange and the eastern central office areas of Glendora, Covina, and Rowland already in the plan with four extended routes each, the staff witness proposed to add 5 cents a month to the 10 cents a month trial residence rates for the three eastern central office areas, thus preserving the 10 cent differential between

central office areas contiguous and noncontiguous to the NPA boundary. As a first trial he also proposed no additional EAS rate increment for the San Dimas Central Office Area in the Pomona Exchange, which gained one extended route under the Conklin proposal, but to add 5 cents to both business and residence EAS increments for the Walnut Central Office Area in the Pomona Exchange which gained two routes (to Baldwin Park and La Puente) under the Conklin proposal. On this first trial basis additional annual revenues of \$55,541 would be produced to offset annual incremental cost effects of the three additional routes estimated by General to be \$55,400.^{5/}

The Conklin proposal along with rates proposed by the staff received the support of the City of West Covina and the West Covina Chamber of Commerce, although it should be noted that spokesmen for each still felt that businesses in the eastern half of the Covina Exchange would enjoy a competitive advantage by reason of having the Pomona C.O. within their local calling area.

^{5/} Data on the above rate increments and revenue and cost effects are shown in Exhibit 51 in the tabulations of Sections IV and V. However, the alternative method of balancing the Conklin plan, shown in the last paragraph of page 8 of Exhibit 51, was supported by staff testimony and was recommended by the staff in its closing brief and shown in Appendix A of that brief. This alternative would make no change in Pomona Exchange business rates from those shown in Exhibit 33 but would add 5 cents a month to San Dimas residence trial rates (for one added extended route) and 10 cents a month to Walnut residence trial rates (for two added extended routes). This alternative would produce approximately \$2,100 more annual revenue than the \$55,541 for the first trial shown above. This alternative has been adopted herein and is reflected in the rates shown in Appendix A hereto.

Several public witnesses testified in favor of the Conklin proposal and no one testified against it. Late-filed Exhibit 53, a compilation of approximately 100 responses to a questionnaire circulated by Conklin, indicated overwhelming support as 99 percent wanted the additional routes and 80 percent believed an additional charge of 10 cents a month would be reasonable.

Toll Continuation Plan

The toll continuation plan and the question of whether the Commission could order Pacific's participation under Public Utilities Code Sections 728, 729, or 766 was an issue throughout most of these proceedings. It ceased to remain an issue, however, when General by its letter of January 23, 1967, offered to provide the service without Pacific's participation. Up to that point the issue had been argued in briefs submitted on Pacific's motion to be dismissed and General and the staff had completed their direct presentations in support of the plan. Pacific, however, had not offered any rebuttal testimony on this issue.

In its closing brief the staff argued that based upon the record which had been made, the Commission could order the toll continuation plan to be placed in effect. We do not agree. Absent Pacific's rebuttal testimony on this issue and in view of General's changed position which, in effect, amounts to General's withdrawal of its request for authorization of the

plan we can only state that the evidence has established that in a case such as this where Pacific has provided the trunking, an independent company experiences an out-of-pocket loss on its statewide toll settlement when it establishes EAS service and the statewide toll operation experiences a corresponding gain. Since Pacific has an approximate 90 percent share of the statewide toll operation it receives a benefit from the independent's conversion to EAS.

In the case at hand the evidence shows that without Pacific's participation in the plan General's annual costs would be increased by \$188,940 and its annual revenue decreased by \$2,296,108 through loss of toll revenue making a total revenue requirement of \$2,485,048. Since the increased exchange rates proposed by General would yield \$1,264,633 the net out-of-pocket cost to General would be the difference between these two latter amounts or \$1,220,415. The net gain which would be realized by Pacific would be \$1,353,322.

The inequity of this situation is apparent and it appears that General's toll continuation plan had merit in that it would have established EAS with virtually no effect upon the earnings of either company. It occurs to us however, that the solution failed to strike at the heart of the difficulty, it was simply an effort to maintain the status quo. The impact of approximately \$1,250,000 on the two companies indicates that the real difficulty lies in the formula used for settlement of interexchanged local traffic between General and Pacific. That this is the real issue is also evidenced by the fact that these

proceedings were taken off calendar for eight long months while the two companies were negotiating settlements. Upon resumption of the proceedings the companies reported that a new agreement for settlements more favorable to General had been negotiated. The agreement was not entered into this record and it was ruled that it was not necessary to so enter it as it would unduly prolong these proceedings and the proper place for it to be examined would be within the framework of Pacific's rate proceeding Application No. 49142. We take official notice of Exhibit 41 and related testimony at transcript pages 2626-2647 and 3426-3428 in said proceeding.

Exhibit 41 is a memorandum of agreement between Pacific, General, California Water and Telephone Company, and Western California Telephone Company, wherein, among other things, General agreed with respect to Covina-Pomona-Ontario-Etiwanda extended area service to accept the serving responsibility as its own completely without involving Pacific in any way either through provision of plant or through settlements. Pacific in turn agreed in its next general rate application (Application No. 49142) to apply for revenues derived from its total intrastate rate structure sufficient to recover the cost of introducing a cost type settlement for interexchanged nonoptional extended area traffic in the Los Angeles Extended Area between Pacific and General and between Pacific and California Water and Telephone Company. The agreement states the estimated increases in settlements to be approximately \$6,000,000 based on 1965 conditions and assumed exchange earnings of 5 percent. On the basis of testimony in Application No. 49142, however, it is clear that the increase in settlements

would exceed \$12,000,000 when related to the requests contained in that application. It is noted that under the memorandum agreement General agrees in effect to flow through to its rate-payers in the Los Angeles Extended Area and in exchanges in the immediate vicinity thereto any amount granted by the Commission to Pacific for such increased settlements.

We are mindful, of course, that it is not known at this juncture whether or not Pacific will be granted any specific amount for increased settlements but we do note that General's agreement to accept the serving responsibility for EAS in Covina-Pomona-Ontario-Etiwanda stands irrespective of whether or not the Commission grants Pacific any amount for increased settlements. The important connotation we believe is, that Pacific has recognized the desirability and equity of entering into a cost-type settlement for interexchanged local traffic with General.

Rate Levels

Consideration of the entire record in these proceedings leads us inescapably to the finding that there is a need for extended area service in the areas herein considered. Such a finding, however, cannot stand alone without relating it to rate levels or rate increments which are reasonable for the expanded service. All subscribers want extended service if it may be obtained without any increases in charges. The question is how much increase will subscribers pay for the additional service. There was virtually no objection to General's proposed increases in business rates. The disagreement on rate levels involves only rates for residence service, and there the principal area of controversy was in the Covina exchange.

General's proposed rate increments were apparently designed to produce the revenue requirements deemed necessary under the toll continuation plan. In some instances there seemed to be insufficient correlation between the residence rates proposed and the benefits to be derived.

The staff on the other hand built its entire case on the basis of relating rate increments and rate levels to benefits derived and comparison with rates for comparable service in adjacent territory. The staff presentation was especially persuasive with respect to the Covina exchange and the reasonableness of uniform 10 cents increments for residence service or 15 cents with certain added routes as modified by the Conklin proposal in that exchange.

The rates for residence service proposed by the staff for the Pomona exchange and for the Ontario and Upland central office areas of the Ontario exchange also stand the test of reasonableness more readily than those proposed by General when benefits are considered and comparisons are made with adjacent exchanges. It is noted that the staff took no issue with General's proposal for no change in rates for the Cucamonga central office area of the Ontario exchange and a uniform 50 cent increase in all grades of residence service for the Etiwanda exchange.

It is clear from the testimony and statements of public witnesses that it would not be in the public interest to authorize extended service at the rate increments and levels

proposed by General for residence service in the Covina and Pomona exchanges nor in the Ontario and Upland central office areas of the Ontario exchange.

In determining appropriate rate levels for extended service, the traditional approach has been to increase exchange rates a sufficient amount to offset the toll revenue loss plus the annual costs on the new plant investment required to accomplish the new serving arrangements less savings in not handling the commuted traffic as toll. In the case now before us we find it appropriate to modify the traditional approach because of two conditions. First, the extensive record made by the staff on comparability with extended service arrangements including rates in adjacent territory impels us under the second paragraph of Section 728^{6/} of the Public Utilities Code to give due consideration to lower rate levels and second, there is available a source of revenue which permits adoption of lower rate levels.

This second condition arises by reason of the fact that following the \$4,000,000 reduction in system rates effected by General on January 1, 1966, there remained an agreed further reduction of \$3,000,000 which was held in abeyance pending a

^{6/} "In determining and fixing rates for a telephone corporation pursuant to this section or pursuant to Section 455, or in determining whether or not a proposed rate increase is justified pursuant to Section 454, the commission shall, among other things, take into consideration any evidence offered concerning the quality of the particular telephone corporations' services as compared with that of telephone corporations in adjacent territory, and the permissible rates for comparable service charged by telephone corporations in adjacent territory."

determination of the effects of adjustments principally in toll rates resulting from Decision No. 71575, in Case No. 7409. The effects resulted in a further reduction in settlement revenues of approximately \$1,000,000 on January 30, 1967. This left a remaining amount available of about \$2,000,000. As has been noted previously General's decision to provide EAS without Pacific's participation and at the rates proposed by General would result in a net out-of-pocket cost of \$1,220,415. General's vice president, however, testified that such a figure was based on 1963 costs and that changes since then would increase the figure by from \$400,000 to \$500,000 and thus the present day cost could be as high as \$1,720,000. Deducting this amount from the \$2,000,000 leaves about \$280,000 available for reductions below the level of rates proposed by General, and it will be so used in adopting those lower rates proposed by the staff.^{7/}

We are aware of the position of the City of Los Angeles that any residual from the \$2,000,000 should be used for system-wide rate reductions. This we have considered but in the light of the record which has been made in these proceedings we find that the public interest will best be served by utilizing the residual to permit establishment of EAS at rate levels which will compare favorably with other areas.

Any further consideration of comparative rate levels or adjustment of rate disparities as suggested by Conklin may be

^{7/} Residence flat rate foreign exchange rates will be set at levels consistent with the staff proposed EAS increment for regular residence exchange service. Since the company estimates 90% conversion of FEX service to regular exchange service, the difference between staff and company EAS increments produces a negligible effect on revenues beyond that shown in Table 4-H of Exhibit 36. See page 19, supra.

pursued in Application No. 49142 and the related investigations. Since, as a result of those proceedings, rate levels in the exchanges considered herein may be subject to change prior to the two-year period required for establishment of EAS, we believe it is pertinent to point out that the rates hereinafter found to be reasonable are so found in relationship to present rates and therefore the rate appendix attached hereto will show present rates, rate increments and authorized rates, so that preservation of proper rate increments may be formulated in any future orders issued affecting the Covina, Pomona, Ontario, and Etiwanda exchanges. It should also be noted that Appendix A hereto includes only business and residence foreign exchange rates for services shown in Exhibit 33. Other foreign exchange services of these four exchanges now being offered (Covina in Whittier and Pomona in the Norwalk District Area of the Downey exchange) or offered hereafter as a result of consolidation of the tariffs of General and California Water & Telephone or new foreign exchange services should be adjusted by consistent extended area service increments as of establishment of extended area service for these four exchanges.

Based upon the evidence, the Commission makes the following findings:

1. Public interest requires that extended service be established in the Covina, Pomona, Ontario, and Etiwanda exchanges, without Pacific's participation, over routes proposed by General but modified to include two-way routes between the central office areas of Baldwin Park and Walnut, La Puente and Walnut, and Azusa and San Dimas.

A. 47330, C. 8165, C. 8205 ds *

2. The basic exchange rates for business service and business foreign exchange service as proposed by General are reasonable for the extended service to be provided.

3. The basic exchange rates for residence service proposed by the staff including the modification to accommodate the three additional two-way routes between Baldwin Park and Walnut, La Puente and Walnut, and Azusa and San Dimas, and including the staff supported rates for business service for the additional routes, are reasonable for the extended service to be provided.

4. Rates for residence flat rate foreign exchange service, consistent with staff proposed basic exchange rates, are reasonable for the extended service to be provided.

5. Present exchange rates, insofar as they differ from those authorized herein will become unjust and unreasonable on such date as extended service is provided.

The Commission concludes that Application No. 47330 and Case No. 8165 should be granted to the extent indicated by the authorized rates set forth in Appendix A, and in all other respects they should be considered denied, and Case No. 8205 should be discontinued.

O R D E R

IT IS ORDERED that:

1. General Telephone Company of California is authorized to file with this Commission, after the effective date of this order and in conformity with the provisions of General Order No. 96-A, tariff sheets revised to reflect the extended calling routes shown in its application and in Exhibit 5 and modified to

A. 47330, C. 8165, C. 8205 ds *

include the three additional routes shown in Exhibit 51 and line rates shown in Appendix A for extended service, and foreign exchange service in the Covina, Pomona, Ontario, and Etiwanda exchanges and, on not less than five days' notice to the public and to this Commission, to make said revised tariffs effective on the date when the new or additional extended service is provided in said exchanges.

2. Coincident with the effective date of the revised tariffs authorized above, General Telephone Company of California is authorized to withdraw message toll service on the extended service routes authorized herein.

3. The authorization herein granted will lapse if the extended service has not been established prior to January 1, 1970.

4. In all respects other than granted herein Application No. 47330 and Case No. 8165 are denied.

5. Case No. 8205 is discontinued.

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

Dated at San Francisco, California, this
24th day of OCTOBER, 1967.

Robert E. Mitchell
President

William L. Benson

Assistant

William Symons Jr.

John P. Moroney
Commissioners

APPENDIX A

(Sheet 1 of 6)

General Telephone Company of California

MONTHLY BASIC EXCHANGE RATES
PRESENT SERVICE AND AUTHORIZED EXTENDED AREA SERVICECOVINA EXCHANGE

Class & Grade	Present Rates (1)	Authorized EAS Rate Increments (2)	Authorized EAS Rates (1)+(2)=(3)
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Azusa, Baldwin Park & La Puente Central Office Areas

<u>Business</u>			
1-Party	\$ 12.20	\$ 0.10	\$ 12.30
2-Party	10.15	.10	10.25
PBX (Ea. Trk.)	18.20	.10	18.30
Suburban	8.75	.10	8.85
Semipublic			
Monthly Rate	3.15	.10	3.25
Daily Guarantee	.22	-	.22

<u>Residence</u>			
1-Party	5.10	.05	5.15
2-Party	3.95	.05	4.00
4-Party	3.30	.05	3.35
Suburban	3.80	.05	3.85

Covina, Glendora & Rowland Central Office Areas

<u>Business</u>			
1-Party	12.20	1.40	13.60
2-Party	10.15	1.10	11.25
PBX (Ea. Trk.)	18.20	2.05	20.25
Suburban	8.75	.95	9.70
Semipublic			
Monthly Rate	3.15	.25	3.40
Daily Guarantee	.22	.02	.24

<u>Residence</u>			
1-Party	5.10	.15	5.25
2-Party	3.95	.15	4.10
4-Party	3.30	.15	3.45
Suburban	3.80	.15	3.95

General Telephone Company of California

MONTHLY BASIC EXCHANGE RATES
PRESENT SERVICE AND AUTHORIZED EXTENDED AREA SERVICEPOMONA EXCHANGE

Class & Grade	Present Rates (1)	Authorized EAS Rate Increments (2)	Authorized EAS Rates (1)+(2)=(3)
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San Dimas Central Office Area

<u>Business</u>			
1-Party	\$ 8.90	\$ 2.90	\$ 11.80
2-Party	7.40	2.35	9.75
PBX (Ea. Trk.)	13.25	4.30	17.55
Suburban	6.25	2.10	8.35
<u>Semipublic</u>			
Monthly Rate	2.65	.50	3.15
Daily Guarantee	.20	.02	.22

<u>Residence</u>			
1-Party	4.95	.50	5.45
2-Party	-	-	-
4-Party	3.30	.45	3.75
Suburban	3.55	.50	4.05

Walnut Central Office Area

<u>Business</u>			
1-Party	8.90	2.90	11.80
2-Party	7.40	2.35	9.75
PBX (Ea. Trk.)	13.25	4.30	17.55
Suburban	6.25	2.10	8.35
<u>Semipublic</u>			
Monthly Rate	2.65	.50	3.15
Daily Guarantee	.20	.02	.22

<u>Residence</u>			
1-Party	4.95	.55	5.50
2-Party	-	-	-
4-Party	3.30	.50	3.80
Suburban	3.55	.55	4.10

General Telephone Company of California

MONTHLY BASIC EXCHANGE RATES
PRESENT SERVICE AND AUTHORIZED EXTENDED AREA SERVICEPOMONA EXCHANGE

Class & Grade	Present Rates (1)	Authorized EAS Rate Increments (2)	Authorized EAS Rates (1)+(2)=(3)
<u>Pomona Central Office Area</u>			
<u>Business</u>			
1-Party	\$ 8.90	\$ 3.40	\$ 12.30
2-Party	7.40	2.60	10.00
PBX (Ea. Trk.)	13.25	5.05	18.30
Suburban	6.25	2.35	8.60
<u>Semipublic</u>			
Monthly Rate	2.65	.50	3.15
Daily Guarantee	.20	.02	.22
<u>Residence</u>			
1-Party	4.95	.55	5.50
2-Party	-	-	-
4-Party	3.30	.45	3.75
Suburban	3.55	.45	4.00
<u>Chino & Claremont Central Office Areas</u>			
<u>Business</u>			
1-Party	8.90	2.90	11.80
2-Party	7.40	2.35	9.75
PBX (Ea. Trk.)	13.25	4.30	17.55
Suburban	6.25	2.10	8.35
<u>Semipublic</u>			
Monthly Rate	2.65	.50	3.15
Daily Guarantee	.20	.02	.22
<u>Residence</u>			
1-Party	4.95	.40	5.35
2-Party	-	-	-
4-Party	3.30	.35	3.65
Suburban	3.55	.40	3.95
<u>La Verne Central Office Area</u>			
<u>Business</u>			
1-Party	8.90	2.90	11.80
2-Party	7.40	2.35	9.75
PBX (Ea. Trk.)	13.25	4.30	17.55
Suburban	6.25	2.10	8.35
<u>Semipublic</u>			
Monthly Rate	2.65	.50	3.15
Daily Guarantee	.20	.02	.22
<u>Residence</u>			
1-Party	4.95	.45	5.40
2-Party	-	-	-
4-Party	3.30	.40	3.70
Suburban	3.55	.45	4.00

General Telephone Company of California

MONTHLY BASIC EXCHANGE RATES
PRESENT SERVICE AND AUTHORIZED EXTENDED AREA SERVICEONTARIO AND ETIWANDA EXCHANGES

Class & Grade	Present Rates	Authorized EAS Rate Increments	Authorized EAS Rates
Ontario Exchange	(1)	(2)	(1)+(2)=(3)

Cucamonga Central Office Area

<u>Business</u>			
1-Party	\$ 8.40	\$ 0	\$ 8.40
2-Party	7.15	0	7.15
PBX (Ea. Trk.)	12.50	0	12.50
Suburban	6.00	0	6.00
Semipublic			
Monthly Rate	2.65	0	2.65
Daily Guarantee	.20	0	.20

Residence

1-Party	4.85	0	4.85
2-Party	3.60	0	3.60
4-Party	3.05	0	3.05
Suburban	3.55	0	3.55

Ontario & Upland Central Office Areas

<u>Business</u>			
1-Party	8.40	3.40	11.80
2-Party	7.15	2.60	9.75
PBX (Ea. Trk.)	12.50	5.05	17.55
Suburban	6.00	2.35	8.35
Semipublic			
Monthly Rate	2.65	.50	3.15
Daily Guarantee	.20	.02	.22

Residence

1-Party	4.85	.55	5.40
2-Party	3.60	.60	4.20
4-Party	3.05	.65	3.70
Suburban	3.55	.45	4.00

Etiwanda Exchange

<u>Business</u>			
1-Party	7.40	1.00	8.40
2-Party	6.40	.75	7.15
PBX (Ea. Trk.)	11.00	1.50	12.50
Suburban	5.75	.25	6.00
Semipublic			
Monthly Rate	2.65	-	2.65
Daily Guarantee	.17	.03	.20

Residence

1-Party	4.35	.50	4.85
2-Party	-	-	-
4-Party	2.55	.50	3.05
Suburban	3.05	.50	3.55

General Telephone Company of California

MONTHLY FOREIGN EXCHANGE SERVICE RATES
PRESENT SERVICE AND AUTHORIZED EXTENDED AREA SERVICE

Class & Grade	Present Rates (1)	Authorized EAS Rate Increments (2)	Authorized EAS Rates (1)+(2)=(3)
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Msg Allow	Monthly Rate	Msg Allow	Monthly Rate
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A. Covina Exchange Service in Pomona ExchangeBusiness

1-Party Msg	200 -	\$12.75	\$.45	200 -	\$13.20
PBX 1st Trunk Msg	200 -	14.00	1.10	200 -	15.10
PBX Ea Add'l Trunk Msg	0 -	3.25	1.10	0 -	4.35

Residence

1-Party Flat Rate	---	6.00	.15	---	6.15
Suburban Flat Rate	---	4.70	.15	---	4.85

B. Covina Exchange Service in Ontario ExchangeBusiness

1-Party Msg	200 -	12.75	.45	200 -	13.20
PBX 1st Trunk Msg	300 -	19.00	1.10	300 -	20.10
PBX Ea Add'l Trunk Msg	300 -	18.25	1.10	300 -	19.35

C. Pomona Exchange Service in Covina ExchangeBusiness

1-Party Msg	200 -	20.15	2.10	200 -	22.25
PBX 1st Trunk Msg	200 -	24.50	3.50	200 -	28.00
PBX Ea Add'l Trunk Msg	0 -	13.75	3.50	0 -	17.25

Residence

1-Party Flat Rate	---	5.85	.50	---	6.35
Suburban Flat Rate	---	4.45	.45	---	4.90

D. Pomona Exchange Service in Ontario ExchangeBusiness

1-Party Flat Rate	---	10.15	2.90	---	13.05
PBX 1st Trunk Flat Rate	---	14.50	4.30	---	18.80
PBX Ea Add'l Trunk Flat Rate	---	13.75	4.30	---	18.05

Residence

1-Party Flat Rate	---	5.85	.50	---	6.35
4-Party Flat Rate	---	4.20	.40	---	4.60
Suburban Flat Rate	---	4.45	.45	---	4.90

NOTE: For message rate service the number of messages included in the allowance is given above, preceding the rate. The rate per message over the allowance is 5¢.

APPENDIX A

(Sheet 6 of 6)

General Telephone Company of California

MONTHLY FOREIGN EXCHANGE SERVICE RATES
PRESENT SERVICE AND AUTHORIZED EXTENDED AREA SERVICE

Class & Grade	Present Rates (1)	Authorized EAS Rate Increments (2)	Authorized EAS Rates (1)+(2)=(3)
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	Msg Allow	Monthly Rate		Msg Allow	Monthly Rate
<u>E. Ontario Exchange Service in Covina Exchange</u>					
<u>Business</u>					
1-Party Msg	200 -	\$ 12.75	\$ 1.60	200 -	\$ 14.35
PBX 1st Trunk Msg	300 -	19.00	3.25	300 -	22.25
PBX Add'l Trunk Msg	300 -	18.25	3.25	300 -	21.50

F. Ontario Exchange Service in Pomona Exchange

<u>Business</u>					
1-Party Flat Rate	---	9.65	\$ 3.40	---	13.05
PBX 1st Trunk Flat Rate	---	13.75	5.05	---	18.80
PBX Ea Add'l Trunk Flat Rate	---	13.00	5.05	---	18.05
<u>Residence</u>					
1-Party Flat Rate	---	5.75	.55	---	6.30
4-Party Flat Rate	---	3.95	.65	---	4.60
Suburban Flat Rate	---	4.45	.45	---	4.90

G. Ontario Exchange Service in Etiwanda Exchange

<u>Business</u>					
1-Party Msg	200 -	12.75	1.60	200 -	14.35
PBX 1st Trunk	300 -	19.00	3.25	300 -	22.25
PBX Ea Add'l Trunk	300 -	18.25	3.25	300 -	21.50
<u>Residence</u>					
1-Party Flat Rate	---	5.75	.55	---	6.30
4-Party Flat Rate	---	3.95	.65	---	4.60
Suburban Flat Rate	---	4.45	.45	---	4.90

H. Ontario Exchange Service in San Bernardino Exchange

<u>Business</u>					
1-Party Msg	200 -	12.75	1.60	200 -	14.35
PBX 1st Trunk Msg	300 -	19.00	3.25	300 -	22.25
PBX Ea Add'l Trunk Msg	300 -	18.25	3.25	300 -	21.50

NOTE: For message rate service, the number of messages included in the allowance is given above preceding the rate. The rate per message over the allowance is 5¢.

APPENDIX B

LIST OF APPEARANCES

- A. M. Hart and H. Ralph Snyder, Jr., for applicant in A-47330, defendant in C-8165 and respondent in C-8205.
- A. T. George, and Pillsbury, Madison and Sutro, by G. H. Eckhardt, Jr., and R. W. Odgers, for protestant in A-47330, and respondent in C-8205.
- Morris M. Conklin, complainant in C-8165, and interested party in A-47330 and C-8205.
- Joseph B. Geisler and Alan R. Watts, for the City of West Covina;
- L. R. Jamieson, Mrs. Pearl Mead and Don Mead for Forecastle-Nearpoint subscribers; Robert M. Ebner for West Covina Chamber of Commerce; protestants in A-47330 and interested parties in C-8165 and C-8205.
- Neal C. Hasbrook, for California Independent Telephone Association;
- R. W. Russell, by K. D. Walpert and M. Kroman, for Department of Public Utilities and Transportation of the City of Los Angeles; Keith F. Mulrooney, for the City of Pomona; Mrs. Louis B. Kleindienst, for Rancho Rincon Association of Homeowners, Inc.; William L. Knecht, for California Farm Bureau Federation; Norman C. Boehm, for the City of San Dimas; and John H. Larson, City Attorney for the City of San Dimas; interested parties.
- Harold J. McCarthy, Counsel, Vincent V. MacKenzie, Counsel, James G. Shields, and Andrew Tokmakoff, for the Commission staff.