ORIGINAL

Decision No. _ 75452

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

THE SERRAMONTE HOMEOWNERS ASSOCIATION,)

Complainant,

vs.

THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY.

Defendant.

Case No. 8825 (Filed July 30, 1968)

Bruce A. Barichievich, for Serramonte Homeowners
Association, complainant.

Robert E. Michalski, for The Pacific Telephone
and Telegraph Company, defendant.

Daniel R. Paige, for the Commission staff.

<u>OPINION</u>

Complainant, Serramonte Homeowners Association, in its complaint filed July 30, 1968, alleges that defendant (1) has established a service boundary line "that partitions Daly City in an arbitrary and unreasonably discriminatory manner", (2) was "negligent in their responsibilities to the people and the prospective customers in that at the time of the inception of the Serramonte Subdivision, they did not contact the Daly City Administration and the Developers to make arrangements to change the service district boundary lines (and thus) This failure to act left Daly City partitioned in an arbitrary and unreasonably discriminatory manner", and (3) that defendant's "subscribers have been refused a change in the mentioned service district boundaries (and that) The present boundaries have created many dissatisfied customers who have been charged excessively high fees, message unit

and toll charges for service comparable to that received by nearby neighbors."

Complainant seeks an order of the Commission which would direct defendant to move its existing exchange boundary line so as to include the Serramonte Subdivision within the San Francisco exchange (said subdivision now being within the South San Francisco exchange) or, in the alternative, to eliminate charges for foreign exchange service in said subdivision.

Defendant's answer to the complaint (1) admits the existence of the boundary line between the 992 district of the San Francisco exchange and the 878 district of the South San Francisco exchange, (2) admits that it has refused to change the boundaries of the two exchanges and (3) denies generally and specifically all of the other allegations of the complaint. As affirmative defenses, defendant alleges that (1) the complaint does not state a cause of action because the complaint does not point "to any provision of law or any tariff provision or order or rule of the Commission which it has violated, nor does it contain any factual allegation that Pacific has in any way breached any legal duty it has to complainant or to anyone else", and (2) "it is not feasible nor in the interests of economical furnishing of telephone services to relocate the boundaries of the San Francisco exchange to be collinear with the boundaries of Daly City." Defendant prays that the complaint be dismissed.

Public hearing in the matter was held before Examiner Emerson on January 2 and 3, 1969, in San Francisco. The matter was submitted on February 3, 1969, upon receipt of a late-filed exhibit (Exhibit No. 7).

C. 8825 ds

Complainant's presentation consisted of a petition (attached to the complaint as an exhibit), the testimony of 9 residents of the Serramonte tract and the oral argument of its president. Five of the witnesses testified to specific service difficulties, including having "dead" lines, being told by an operator that they didn't live in Daly City, inability to obtain repair services, inability to receive "out-of-area" calls, crosstalk and inattention to their complaints. In addition to correction of such service problems, all witnesses for complainant wanted the lesser telephone bills which would result if their telephone services were to be rendered as part of the San Francisco exchange, wherein many had resided prior to moving to Serramonte, rather than as part of the South San Francisco exchange within which they now actually reside.

Defendant's presentation consisted of the introduction of 9 exhibits through the testimony of two witnesses and the oral argument of its counsel. These witnesses testified as to the factual situations respecting exchange and district boundaries of concern to complainants, other cities in the Bay Area wherein portions of cities are served by two or more exchanges, successive annexations by Daly City, "community of interest factors" indicated by the actual telephone usage of subscribers in Serramonte, the disposition and correction of the service complaints, the original plans and economic studies which led to the establishment of present exchange boundaries and present serving arrangements, rates for local exchange and foreign exchange service, and the increased plant costs and revenue losses which would result if the Serramonte area were to be included in the San Francisco exchange.

C. 8825 ds The record discloses and the Commission takes official notice that the rates applicable to intrastate telephone services now being rendered in Serramonte were found to be just and reasonable and were authorized by Decision No. 74917, in Application No. 49142 and related cases, issued November 6, 1968. The Commission finds that complainant submitted no proof in support of the allegations set forth in the complaint. In reality the primary desire of complainant is that the existing boundary line should be changed so that telephone subscribers in Serramonte might have lowered bills. In support of this expressed desire, complainant submitted no proof that existing charges are unjust or unreasonable. It follows that the complaint should be dismissed. ORDER IT IS ORDERED that the complaint in Case No. 8825 is bereby dismissed. , California, this Dated at _____San Francisco MARCH , 1969. iay of Commissioners Commissioner Thomas Moran, being necessarily obsent, did not participate in the disposition of this proceeding. -4-