

ORIGINAL

Decision No. 75678

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY, a corporation, for authority to increase certain intrastate rates and charges applicable to telephone services furnished within the State of California.

Application No. 49142

Investigation on the Commission's own motion into the rates, tolls, rules, charges, operations, separations, practices, contracts, service and facilities of The Pacific Telephone and Telegraph Company.

Case No. 8608

Investigation on the Commission's own motion into the rates, tolls, rules, charges, operations, separations, practices, contracts, service and facilities of the telephone operations of certain telephone corporations.

Case No. 8609

Tom C. Carrell and Petitioners,
Complainants
VS.

California Water and Telephone Company,
General Telephone Company of California,
a corporation, and The Pacific Telephone
and Telegraph Company,
Defendants.

Case No. 8690

SUPPLEMENTAL OPINION AND ORDER

Ordering paragraph No. 6 of Decision 74917 dated November 6, 1968, provided, in part, as follows, "The Pacific Telephone and Telegraph Company shall forthwith establish district areas in its San Jose exchange as set forth in Chart 3-A of Exhibit No. 92 in this proceeding ...". By a petition filed on April 8, 1969, The Pacific Telephone and Telegraph Company (Petitioner) now seeks modification of said ordering paragraph 6 of Decision No. 74917 to

direct that Petitioner's San Jose Exchange be divided into three district areas instead of the four district areas required by ordering paragraph 6. Delineations of the four district-area plan and the proposed three district-area plan are set forth on Attachment 1 and 2, respectively, of the petition.

In support of its request, Petitioner alleges that the proposed three district-area plan will afford advantages to both Petitioner and its subscribers. Among these is the advantage of including Oliver and South White Road central office areas in the same North district area as they are socially and economically related and should be afforded the same local calling area. Inclusion of the downtown area of San Jose in the West district area will provide extended service to downtown San Jose from Mountain View and Los Altos which both have high calling rates to the downtown area. Petitioner also alleges that the proposal will afford it additional flexibility in designing and installing new plant to meet the continued growth predicted for the east and southeast portion of San Jose exchange.

Petitioner estimates that this proposal will result in an additional gross annual revenue reduction, over the four district plan, of approximately \$200,000 which should be offset by plant and facility economies.

At the request of the Commission staff, Petitioner furnished supplemental information which reveals that the toll and message unit rates for calls to points within 40 miles for some subscribers will be different from those which would obtain under the original order. For any subscriber so affected there will be both increases and decreases, but in no case will the change exceed 10 cents for the initial period rate. The new plan will provide for an estimated main station development as of January 1, 1971 of 37,440 stations in the

North district area, 56,075 in the South district area and 136,260 in the West district area. The greatest future heavy growth potential is in the North and South district areas and it may be anticipated that the number of stations in each area will be fairly well balanced in future years. The supplemental information furnished by Petitioner is hereby received as Modification Exhibit No. 1.

Findings and Conclusions

The Commission finds that Petitioner's request is reasonable, that the proposed three district-area plan is in the public interest, and that public hearing on this petition is not necessary; therefore,

IT IS HEREBY ORDERED that ordering paragraph 6 of Decision No. 74917 is modified to provide that three district areas should be established in Pacific's San Jose exchange as set forth in Attachment 2 to the petition. In all other respects, Decision No. 74917 shall remain in full force and effect.

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

Dated at San Francisco, California, this 20th day of MAY, 1969.

William Lyons Jr.
President
August
Jack P. Monissey
J. P. ...
Commissioners