

ORIGINAL

Decision No. 75931

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELE-)
PHONE AND TELEGRAPH COMPANY for)
authority to establish the Agoura) Application No. 50885
Exchange and Base Rate Area and to) (Filed February 14, 1969)
revise the Canoga Park Exchange)
Boundary.)

O P I N I O N

The Pacific Telephone and Telegraph Company (hereafter referred to as "applicant") requests this Commission to authorize:

1. Establishment of the Agoura Exchange (from a part of the Canoga Park Exchange), as shown in Exhibit A attached to the application.
2. Establishment of a new Agoura Toll Rate Center at 34° 08' 45" North Latitude and 118° 45' 41" West Longitude which is also the location of the central office.
3. Establishment of an Agoura Base Rate Area.
4. Provision of extended calling amongst the Agoura, Canoga Park, Malibu, Santa Monica, Reseda, San Fernando and Van Nuys Exchanges.
5. Filing and making effective new and revised maps as shown in Exhibits A and B attached to the application.
6. Establishment of the proposed rates shown in Exhibit F attached to the application, as Agoura Exchange rates.

In support of its application the company alleges that there is public demand for, and it is in the public interest to establish, the proposed separate Agoura Exchange, to provide improved service for the area.

The Commission staff has reviewed the application and made a field inspection of the area. As a result, the staff prepared a report in which it recommended that the application be granted. The staff report is received in evidence as Exhibit No. 1.

Bill inserts were mailed to all subscribers in the Agoura area, the application was publicized in the local newspapers, and the company met with several business leaders and organizations and explained its proposal. No unfavorable comments were received.

Characteristics of the Area

The Agoura Exchange will be in the Northwestern section of the Los Angeles Extended Area, surrounded by the Canoga Park, Malibu, Oxnard, Thousand Oaks and Simi Exchanges.

The new exchange will cover some 65 square miles and there were approximately 2300 subscribers served as of January 1969.

Exchange Rates

The rates presently in effect in the Canoga Park Exchange, are proposed as Exchange rates for Agoura, as follows:

Service

Business

Individual Line Message Rate	\$5.15 -80
PBX Trunks - Message Rate	
First 2 Trunks	5.15
Each Additional Trunk	2.55
Semi-public Coin	5.15

Residence

Individual Line Flat Rate	4.65
Individual Line Message Rate	*3.00 -60
Individual Line Message Rate	*2.25 -30
2-Party Line Flat Rate	*3.75
2-Party Line Message Rate	*2.75 -60
	*2.25 -30

*Residence two-party line flat and message rate service will be withdrawn and in lieu thereof individual line message rate service will be provided, as facilities permit on or before December 31, 1971 in accordance with Decision No. 74917.

Proposed Agoura exchange rates shown would apply within the Agoura Base Rate Area. Applicable mileage bands will apply to services outside Base Rate Area.

Since previously the Agoura area had no Base Rate Area, the establishment of one now will result in the elimination or reduction of mileage charges to all customers saving them about \$26,300 annually.

Effect of the New Toll Rate Point

As a result of establishing a new Toll Rate Point for Agoura, the toll and multi-message unit charges on some calls to the east will increase, and some toll charges to the west will decrease as indicated on Exhibits D and E attached to the application. The overall effect of charges in toll rates would be an approximate \$6,800 annual increase. This increase would be more than offset by the savings realized in exchange rates.

The new Toll Rate Point will cause increases for 34 Secretarial Line (SL) users and for 6 businesses having a total of 12 foreign exchange (FX) lines into the Los Angeles Exchange.

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The staff report (Exh. 1) indicates that SL charges would increase from \$4.00 to \$21.00 per month. It is the staff's position that this large increase compels remedy. The remedy will come, through some telephone answering service locating into the Agoura Exchange, or the presently servicing ones subscribing to concentrators into Agoura, either approach making the SL available again for the \$4.00 monthly charge. The staff recommends that for the interim period, maximum 2 years, the SLs in service on the effective date of the order be billed \$4.00 monthly on a deviation basis and that all those requesting SL thereafter be notified of the increase due when Agoura Exchange will be established. Such notification would cease on establishment of the new Exchange. The staff recommendation, in view of the magnitude of the increase, will be adopted.

The basic service and mileage charges for 1-party FX business line to Los Angeles Exchange will be increased from \$110.35 to \$166.00 per month. PBX trunks will cost \$7.00 or \$6.25 more per month. Applicant intends to apply the same method of computing FX mileage from the Agoura Exchange to the Los Angeles Exchange as presently enjoyed by the Canoga Park Exchange.

Part of the increase may be offset by better use and arrangement of the lines, according to applicant.

To allow time for applicant to assist its customers in modifying their calling habits and rearranging services the staff recommends that three months deviation be granted to provide service at present rates to services of record on the effective date of this order. All customers requesting new FX lines thereafter until the Agoura Exchange is established will be notified by

the company of the increase. The relative rate of increase for FX lines is less than that for SL and we will authorize three months deviation. Applicant's method of computing FX mileage for Los Angeles service in Agoura is reasonable.

Findings

The Commission finds that:

1. A public hearing is not necessary.
2. Establishment of the Agoura Exchange, Base Rate Area, and Toll Rate Center and the provision of extended calling amongst the proposed exchanges are in the public's interest.
3. Rate deviations for Secretarial Lines in service in the proposed Agoura Exchange on the effective date of this order providing that the rates and charges for such lines will not be increased above present levels for two years after establishment of the Agoura Exchange are reasonable.
4. Applicant's method of computing Foreign Exchange Mileage for Los Angeles service in Agoura is reasonable.
5. Rate deviations for Foreign Exchange Lines in service in the proposed Agoura Exchange on the effective date of this order providing that the rates and charges for such lines will not be increased above present levels for three months after establishment of the Agoura Exchange are reasonable.
6. All present and future customers who subscribe to Secretarial Lines or Foreign Exchange Lines after the effective date of this order should be notified by the applicant that an increase will take place upon the establishment of Agoura Exchange.

O R D E R

IT IS ORDERED that:

1. Applicant, The Pacific Telephone and Telegraph Company, is authorized to establish the Agoura Exchange, Base Rate Area, and Toll Rate Center, as described in the application.

2. After the effective date of this order applicant is authorized to establish and file in conformity with General Order No. 96-A rates as set forth in Exhibit F attached to the application.

3. Applicant is authorized to grant rate deviations on (1) Secretarial Lines and (2) Foreign Exchange Lines in service on the effective date of this order providing no increases in rates and charges for such services for periods of (1) 24 months and (2) 3 months, respectively, after establishment of the Agoura Exchange.

4. Applicant shall notify all customers subscribing to or requesting Secretarial Lines or Foreign Exchange Lines that increases in rates and charges will be in effect, except for deviations authorized, when the Agoura Exchange is established.

5. Applicant is authorized to provide extended calling amongst the Agoura, Canoga Park, Reseda, San Fernando, Van Nuys, Malibu and Santa Monica Exchanges.

6. Applicant is authorized to file with this Commission, after the effective date of this order and in conformity with General Order No. 96-A, new and revised maps substantially as shown in Exhibits A and B attached to the application.

7. The authorization granted herein will expire unless exercised on or before July 1, 1970.

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

Dated at San Francisco, California, this 15th day of JULY, 1969.

President
Augusta

William Symons, Jr.

Fred P. Morrissey

Commissioners

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

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