

ORIGINAL

Decision No. 77369

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE )  
 AND TELEGRAPH COMPANY for authority )  
 to establish extended area service )  
 between the Yreka Exchange and the )  
 exchanges of Gazelle, Grenada and )  
 Hornbrook and between the exchanges )  
 of Gazelle and Grenada and to with- )  
 draw message toll telephone service )  
 rates now in effect between said )  
 exchanges. )

Application No. 51798  
 (Filed March 31, 1970)

OPINION AND ORDER

By this application, The Pacific Telephone and Telegraph Company seeks authority to establish extended-area telephone service (EAS) between its Yreka, Gazelle, Grenada and Hornbrook exchanges and to withdraw toll message service over the routes involved.

Applicant's Yreka exchange, within which is the City of Yreka, the area's largest city and the county seat of Siskiyou County, is the core or central exchange in a large area primarily devoted to lumber production, ranches and dairy farms. The exchanges here involved (including the Montague and Hilt exchanges whose 10-cent toll rates will be eliminated in 1970 and 1971) have a total population of about 11,000 and a telephone development of approximately 4,000 main stations. The specific toll routes proposed for EAS are the following:

Yreka-Gazelle	17 miles	25¢ rate
Yreka-Grenada	9 miles	15¢ rate
Yreka-Hornbrook	13 miles	20¢ rate
Gazelle-Grenada	9 miles	15¢ rate

Telephone subscribers have long sought this EAS offering from Pacific. Their support for the plan, as indicated by their

responses to questionnaires explaining Pacific's proposal and the increase in monthly exchange rates for the plan, ranges between 70 and 91 percent of the residential subscribers and between 55 and 89 percent of the business subscribers for the three exchanges which are satellites of the Yreka exchange. Fifty-nine percent of the business subscribers in Yreka favor the plan.

Applicant's proposed rates are based upon the EAS formula authorized by this Commission's Decision No. 77311, in Application No. 51114, issued June 3, 1970, and are fair and reasonable for the EAS service herein proposed. As applied to this EAS plan, the specific monthly rates are as follows:

		Rate Per Month		
		Proposed Rate		
Present Rate		Yreka	Gazelle	Hornbrook

**BUSINESS**

1-party	\$ 9.00	\$10.05	\$14.05	\$11.50
2-party	6.75	7.80	11.80	9.25
Suburban	6.25	7.30	11.30	8.75
PBX trunks	13.50	15.00	21.00	17.25
Semipublic	4.50	5.25	7.25	5.75
Farmer Line	2.75*	3.80	7.80	*

**RESIDENCE**

1-party	4.75	4.75	6.45	5.60
2-party	3.65	3.65	5.35	4.50
4-party	2.95	2.95	4.65	3.80
Suburban	3.45	3.45	5.15	4.30
Farmer Line	1.50	1.50	3.20	*

\* No farmer line service in Grenada and Hornbrook.

No opposition to Pacific's proposal has come to the attention of the Commission.

The Commission makes the following findings of fact:

1. Public hearing is not necessary in this matter.
2. The establishment of extended-area telephone service as proposed herein by applicant is in the public interest.
3. Increases in rates as herein authorized are justified.
4. Present exchange rates, insofar as they differ from those hereinafter authorized, will become unjust and unreasonable upon establishment of EAS between the Yreka, Gazelle, Grenada and Hornbrook exchanges.

The Commission concludes that the application herein should be granted. Accordingly,

IT IS ORDERED that:

1. The Pacific Telephone and Telegraph Company (Pacific) is hereby authorized to establish extended-area telephone service between its Yreka, Grenada, Gazelle and Hornbrook exchanges, for the routes depicted on Exhibit A attached to the application herein, within eighteen months of the effective date of this order.
2. After not less than five days' notice to the public and to this Commission, Pacific shall make effective in the affected exchanges on the date on which extended-area service is established therein, tariffs revised to reflect the rate changes set forth in Exhibit B attached to the application herein, and shall

coincidentally therewith cancel and withdraw message toll telephone rates in effect between said exchanges.

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

Dated at San Francisco, California, this 16th day of JUNE, 1970.

William J. ...  
President  
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Verma L. Stinson  
Commissioner