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Decision No. _____

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELE-
PHONE AND TELEGRAPH COMPANY, for
authority to establish extended
area service between the Paso
Robles Exchange and the Atascadero
Exchange and to withdraw message
toll telephone service rates now
in effect between said exchanges.)

Application No. 51762
(Filed March 9, 1970;
Amended April 7, 1970)

OPINION AND ORDER

By this application The Pacific Telephone and Telegraph Company (Pacific) seeks authority to establish extended-area telephone service (EAS) between its Paso Robles and Atascadero exchanges and to withdraw message toll telephone service between said exchanges.

The Paso Robles exchange has a population of about 12,000 and a telephone development of approximately 4,700 main stations. The Atascadero exchange has a population of about 10,000 and a telephone development of about 3,300 main stations. The present toll route distance between them is 10 miles and is commonly known as a 15-cent route. Approximately midway between Paso Robles and Atascadero lies the community of Templeton whose residents rely on both Paso Robles and Atascadero for most goods and services.

Major employers in the area are the State's Paso Robles school for boys with about 200 employees, the Raytheon Company with about 120 employees and the Atascadero State Hospital with 780 employees. Employees of these establishments reside in both telephone exchanges. Because of the short distances involved, the necessity for placing toll calls between home and office creates an aggravating

problem and a number of organizations have requested that Pacific eliminate the toll route between the two exchanges.

Pacific's rate proposal, made in accordance with the EAS rate formula specified by Decision No. 77311, in Application No. 51114, issued June 3, 1970, is as follows:

<u>Rate Per Month</u>			
<u>Present Rate</u>		<u>Proposed Rate</u>	
<u>Both Exchanges: Atascadero: Paso Robles:</u>			
<u>BUSINESS</u>			
1-party	\$ 9.00	\$10.05	\$ 9.75
2-party	6.75	7.80	7.50
Suburban	6.25	7.30	7.00
PBX Trunks	13.50	15.00	14.50
Semipublic	4.50	5.25	5.00
Farmer Line	2.75	3.80	3.50
<u>RESIDENCE:</u>			
1-party	4.75	5.10	5.00
2-party	3.65	4.00	3.90
4-party	2.95	3.30	3.20
Suburban	3.45	3.80	3.70
Farmer Line	1.50	1.85	1.75

A customer acceptance survey of the two exchanges shows that 71 percent of all customers in the Atascadero exchange and 65 percent of all customers in the Paso Robles exchange desire the EAS plan proposed by Pacific.

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 between the Paso Robles and Atascadero exchanges is in the public interest.
3. Increases in rates as herein authorized are justified.

4. Present exchange rates, insofar as they differ from those herein authorized, will become unjust and unreasonable upon establishment of EAS between the affected exchanges.

The Commission concludes that the amended 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 Paso Robles and Atascadero exchanges within 24 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 amended 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 Los Angeles, California, this 23rd day of JUNE, 1970.

William J. Sproule
President
Augusta
William J. Sproule
James H. Sproule
Vernon L. Sproule
Commissioners