

Decision No. 77609

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of the CONTINENTAL
TELEPHONE COMPANY OF CALIFORNIA
for authority to establish
extended area service between
the Big Pine Exchange and the
Bishop Exchange and to withdraw
message toll telephone service
rates now in effect between
said exchanges

Application No. 52009
(Filed July 1, 1970)

OPINION AND ORDER

By this application the Continental Telephone Company of California (Continental) seeks authority to establish extended area telephone service (EAS) between its Big Pine and Bishop exchanges and to withdraw message toll telephone service between said exchanges.

Applicant states the Big Pine exchange has an estimated population of 1,420 and a telephone development of about 382 main stations. The Bishop exchange has an estimated population of 10,890 and a telephone development of about 3,226 main stations. The toll route between these exchanges is presently 16 miles and the toll rate is 20 cents for the first three minutes. The residents and business people of Big Pine depend upon Bishop for their social and economic needs, hospital facilities, medical and dental needs and most other required business services. Bishop is the major business, social and economic center for the upper Owens Valley.

Residents of Big Pine have desired extended area calling between the two exchanges over an extended period of time.

Commission Decision No. 69870, dated November 2, 1965, approved the expansion of Pine Creek exchange and established extended area service between the Pine Creek and Bishop exchanges. Since the distance between Pine Creek and Bishop exchanges is about the same as the distance between Big Pine and Bishop exchanges, there was much discontent generated in the Big Pine exchange. This resulted in the filing, on November 26, 1969, of a formal complaint with this Commission by the Big Pine Civic Club, which was assigned Case No. 8997. In its Answer to Complaint, filed April 16, 1970, applicant stated its belief that nonoptional EAS should be established for Big Pine and Bishop exchanges and requested dismissal of the complaint, the result of which was the filing of the instant application.

Continental's rate proposal, Exhibit B attached to the application, is appropriate for the establishment of extended area service between the Big Pine and Bishop exchanges as it is based upon the EAS rate formula described in Decision No. 74917, Application No. 49142, modified by this Commission's letters to The Pacific Telephone and Telegraph Company dated October 15, 1969 and October 20, 1969. The rates are as follows:

	<u>Rate Per Month</u>			
	<u>Present Big Pine Exchange</u>	<u>Proposed Big Pine Exchange</u>	<u>Present Bishop Exchange</u>	<u>Proposed Bishop Exchange</u>
<u>BUSINESS</u>				
1-party	\$ 8.45	\$12.45	\$10.35	\$10.70
2-party	7.05	11.35	8.85	9.20
Suburban				
0 - 4 $\frac{1}{2}$ miles	5.90	9.10	6.60	6.95
4 $\frac{1}{2}$ - 14 $\frac{1}{2}$ miles	6.65	9.80	7.30	7.65
14 $\frac{1}{2}$ - 24 $\frac{1}{2}$ miles	7.35	10.50	8.00	8.35
PBX Trunks	12.50	18.00	15.50	15.75
Semipublic				
Daily guarantee	.31	.35	.35	.35
<u>RESIDENCE</u>				
1-party	5.25	6.60	5.75	*
2-party	4.25	5.60	4.75	*
4-party	3.50	4.85	4.00	*
Suburban				
0 - 4 $\frac{1}{2}$ miles	3.50	4.85	4.00	*
4 $\frac{1}{2}$ - 14 $\frac{1}{2}$ miles	4.50	5.85	5.00	*
14 $\frac{1}{2}$ - 24 $\frac{1}{2}$ miles	4.50	5.85	5.00	*

* No change in present Bishop residence rates.

A customer acceptance survey of the two exchanges discloses that 65% of the business customers in the Bishop exchange and 53% of the business and 67% of the residence customers in the Big Pine exchange preferred this extended area service plan over present serving arrangements. Overall the plan was favored by 65% of the customers responding to the questionnaire.

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

The Commission makes the following findings of fact:

1. A public hearing in this matter is not necessary.
2. The establishment of extended area telephone service between the Big Pine and Bishop 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 unreasonable and unjust upon

establishment of extended area service between the Big Pine and Bishop exchanges.

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

IT IS ORDERED that:

1. Continental Telephone Company of California is hereby authorized to establish extended area telephone service between its Big Pine and Bishop exchanges within 18 months of the effective date of this order.

2. After not less than five days' notice to the public and to this Commission, Continental Telephone Company of California shall make effective, in the affected exchanges on the date on which extended area service is established therein, tariffs revised in accordance with General Order No. 96-A, 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 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 17th day of AUGUST, 1970.

August
Chairman

William J. Sweeney
James M. ...
Vernon L. Sturgeon
Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.