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Decision No. 77900

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY for authority to establish the Sierra City Special Rate Area in the Downieville Exchange } Application No. 52201 (Filed September 18, 1970)

OPINION AND ORDER

The Pacific Telephone and Telegraph Company (applicant) has requested, pursuant to Section 454 of the Public Utilities Code of the State of California, authority to establish the Sierra City Special Rate Area in the Downieville Exchange, Sierra County.

Applicant proposes to establish rates without mileage charges for urban grades of telephone service and to withdraw the suburban service now offered and furnished within the proposed special rate area.

A summary of present and proposed special rate area rates follows.

Downieville Exchange
Proposed Sierra City Special Rate Area
Present and Proposed Rates* for
Principal Classifications of Exchange Service

	Rate Per Month	
	Present# Downieville	Proposed Sierra City SRA
<u>Business</u>		
1-Party	\$ 9.00	\$11.60
2-Party	6.75	8.15
Semipublic	4.50	7.10
PBX Trunks	13.50	16.10
Suburban	6.25	Not Offered
<u>Residence</u>		
1-Party	\$ 4.75	\$ 7.35
2-Party	3.65	5.05
4-Party	2.95	3.95
Suburban	3.45	Not Offered

* Present and proposed rates shown above do not reflect increases proposed in the company's Application No. 51774.

Plus suburban mileage charges on urban services.

The Sierra City Special Rate Area as described in Exhibit B attached to the application covers approximately one and one tenth of a square mile in area. It is located about 12 miles east of Downieville on State Highway 49. Present telephone services within the proposed special rate area consists of 55 suburban services and one urban grade service. Development within the proposed special area consists of 20 business enterprises, one 26-space mobile home park which is normally filled during the summer, and 180 residential units, many of which are occupied during the summer months only.

In the summer months there is a high influx of tourists and fishermen and many of the area's permanent residents have expressed a desire for urban services. In 1968 the applicant received a petition requesting individual line service in Sierra City at rates compatible to those charged in the base rate area.

Applicant estimates that the establishment of the Sierra City Special Rate Area will increase applicant's annual revenues by approximately \$3,200. This increase reflects regrading suburban services to urban services and estimated new services in the area.

Applicant proposes rates for primary urban grades of service within the Sierra City Special Rate Area equivalent to Downieville base rates plus an increment equal to four-quarter miles suburban mileage charge. This increment gives appropriate consideration to development within the proposed special rate area, its distance from the base rate area and the effect of establishing the proposed special rate area upon applicant's revenues. Applicant also proposes to furnish Downieville urban service outside the proposed special rate area or the base rate at the rates of the special rate area plus suburban mileage charges to the nearest point on the special rate area boundary or the base rates plus suburban mileage charges to the nearest point on the base rate area boundary, whichever results in

the lower charge to the customer. It appears that granting of the application will result in improved service and is in the public interest.

The Commission finds that a public hearing is not necessary, that such changes in rates and charges are justified, and that for the future present rates, insofar as they differ from those herein described, will be unjust and unreasonable upon the establishment of Sierra City Special Rate Area; therefore,

IT IS ORDERED that:

1. The Pacific Telephone and Telegraph Company is authorized to establish the Sierra City Special Rate Area in the Downieville Exchange.
2. Applicant is authorized to file in conformity with General Order No. 96-A rates for service within the Sierra City Special Rate Area as set forth in Exhibit C attached to the application and as described in Section V of the application, and after not less than five days' notice to the Commission and to the public, to make said rate effective for service coincident with establishment of said rate area.
3. Applicant is authorized to withdraw suburban telephone service within the Sierra City Special Rate Area coincident with establishment of said special rate area.

4. After the effective date of this order, applicant is authorized to file with this Commission in conformity with General Order No. 96-A exchange maps revised to show the Sierra City Special Rate Area within the Downieville Exchange with a boundary substantially as shown in Exhibits A and B attached to this application.

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

Dated at San Francisco, California, this 4th day of NOVEMBER, 1970.

[Signature] Chairman

[Signature]

[Signature]

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[Signature] Commissioners