

Decision No. 79315

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY for authority to establish the San Joaquin River Club Special Rate Area in the Tracy Exchange. }

Application No. 52851
(Filed September 8, 1971)

OPINION AND ORDER

The Pacific Telephone and Telegraph Company, hereinafter referred to as Applicant, requests authority of the Commission to accomplish the following:

1. Establish the San Joaquin special rate area in the Tracy exchange.
2. File and make effective the proposed rates shown in Exhibit C attached to the application.
3. Withdraw suburban service within the proposed special rate area.

Applicant operates the Tracy exchange in San Joaquin County, California, and serves about 7,300 telephones within the exchange. Applicant's tariff Schedules Cal. P.U.C. Nos. 4-T, 13-T and 37-T on file with the Commission set forth the principal services offered in the Tracy exchange, the rates applicable thereto and the boundaries and the base rate area of the exchange.

Applicant proposes to establish the San Joaquin River Club special rate area within the Tracy exchange, to establish rates without mileage charges for urban grades of telephone service and to withdraw suburban service now offered within the proposed special rate area. Exhibits A and B attached to the application set forth the location and boundaries of the proposed special rate area, which will be approximately one square mile in area.

The proposed special rate area is located six and one-half miles southeast of the base rate area of the Tracy exchange between U. S. Highway 50 and State Highway 132 on the San Joaquin River, within the unincorporated area of San Joaquin County. Applicant asserts that development within the proposed special rate area consists of 335 residential establishments and 3 businesses. The main products of the area are asparagus, beans, lettuce and walnuts.

The proposed rates for urban grades of service within the proposed special rate area are equivalent to Tracy base rate area rates plus an increment equal to three-quarter miles suburban mileage charge. This increment is proposed in consideration of development within the proposed special rate area, its distance from the base rate area and the effects of the proposal on Applicant's revenues.

Present rates in the Tracy exchange and the proposed special rate area rates are as shown in the following tabulation:

Present and Proposed Rates for Principal
Classifications of Exchange Service

Item	Rate Per Month	
	Present	Proposed
	B.R.A.	S.R.A.
<u>Business</u>		
Individual	\$12.50*	\$14.45*
Two-Party Line	9.50*	10.55*
Suburban	8.55	Not Offered
PBX Trunks	18.75*	20.70*
Semipublic	6.25*	8.20*
<u>Residence</u>		
Individual Line	\$ 5.65*	\$ 7.60*
Two-Party Line	4.95*	6.00*
Four-Party Line	4.05*	4.80*
Suburban	4.55	Not Offered

* Plus suburban mileage charges on urban service outside of B.R.A. or Proposed Special Rate Area.

The applicant points out that the proposed special rate area rates are subject to the refund provisions set forth in ordering paragraph 3 of Decision No. 78851. That paragraph relates to the pending review by the California Supreme Court of Interim Decision No. 77984, in Application No. 51774.

Applicant estimates that the establishment of the proposed special rate area will increase its annual revenues by approximately \$3,800. Applicant proposes to establish the special rate area within 15 months after authorization by this Commission.

Applicant's proposal herein shall be subject to the provisions of Executive Order No. 11615 of the President of the United States, issued August 15, 1971, imposing a freeze on price and wage increases for ninety days, and any further such order that may be issued. Accordingly the company will temporarily provide rate deviations at present rates to deviate any present suburban subscribers within the special rate area who do not wish to take advantage of this service improvement.

The Commission finds that granting the application will result in improved service and be in the public interest, that a public hearing on this matter is not necessary, that the increases in rates and charges authorized are justified and reasonable, and the present rates and charges, insofar as they differ from those prescribed herein, are for the future unjust and unreasonable upon the establishment of the San Joaquin River Club special rate area; therefore,

IT IS ORDERED that:

1. The Pacific Telephone and Telegraph Company is authorized to establish the San Joaquin River Club special rate area in the Tracy exchange with boundaries that are defined in Exhibits A and B attached to the application.
2. Coincident with the establishment of the special rate area, after not less than five days' notice to the public and to this

Commission, The Pacific Telephone and Telegraph Company, in compliance with General Order No. 96-A, is authorized to file and make effective the proposed rates set forth in Exhibit C attached to the application together with rules affecting rates proposed in paragraph V of the application.

3. Coincident with the establishment of the special rate area authorized herein, The Pacific Telephone and Telegraph Company is authorized to withdraw the offering of suburban service within said special rate area.

4. During the pendency of the price freeze The Pacific Telephone and Telegraph Company is authorized to establish rate deviations to continue suburban service within the special rate area to subscribers who do not wish to upgrade their service.

5. The authorization granted herein shall expire unless exercised within 18 months of the effective date of this order.

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

Dated at San Francisco, California, this 16th day of NOVEMBER, 1971.

[Signature]
Chairman

[Signature]
William J. Lyons, Jr.

[Signature]
L. L. Stegman

[Signature]
Commissioners