

ORIGINAL

Decision No. 82636

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE
AND TELEGRAPH COMPANY for authority
to establish Optional Calling Measured
Service from Pacific's Exchange of
Fresno to the Continental Exchange of
Tivy Valley and to withdraw message
toll telephone service rates now in
effect on calls from the Tivy Valley
Exchange to the Fresno Exchange.

Application No. 54643
(Filed February 8, 1974)

O P I N I O N

The Pacific Telephone and Telegraph Company (Pacific) requests authority pursuant to Sections 454 and 701 of the Public Utilities Code of the State of California to introduce Optional Calling Measured Service (OCMS) on an experimental basis, from Pacific's Fresno exchange to Continental Telephone's Tivy Valley exchange at the rates set forth on page 4 of the application. Pacific proposes to expand the list of exchanges so Pacific's Fresno exchange can call on an OCMS basis to include Continental's Tivy Valley exchange. Continental in its Application No 54257 proposing one-way non-optional extended service from Continental's Tivy Valley exchange to Pacific's Fresno exchange indicated its concurrence in Pacific's proposal herein. Applicant requests that the Commission attach the same conditions and requirements for Optional Calling Measured Service, as were ordered in Decision No. 81767, which authorized OCMS from Fresno to a number of nearby exchanges, in addition to other matters.

The following are Pacific's proposed rates for OCMS from the Fresno exchange to Continental Telephone's Tivy Valley exchange:

<u>Basic Calling Time Allowance</u>	<u>Basic Rate Per Minute</u>	<u>Overtime Rate Per Minute</u>
2 Hours*	\$2.75	\$0.03

- * Applies to calls from 8 a.m. to 8 p.m. daily. Calls made during other hours will not be considered as a part of the basic time allowance.

OCMS will only be available to Fresno residence customers with one-party service. The service may be taken at the option of the customer.

Decision No. 82129 authorized Continental Telephone Company to establish one-way non-optional extended service from Tivy Valley to Fresno. Pacific proposes that the introduction of Fresno to Tivy Valley OCMS be concurrent with the introduction of extended service in the opposite direction.

The Fresno exchange covers an area of approximately 323 square miles, has about 109,000 telephone subscribers and an estimated population of 305,000. Fresno is the county seat and the largest city in Fresno County. It is the economic, governmental, and social center for the agricultural communities which surround it. The business district provides a variety of stores and shops. In addition, Fresno provides medical facilities, recreation, employment, and education to the surrounding communities. Agriculture and government are the largest employers. Educational facilities include a junior college and California State University of Fresno.

Findings and Conclusion

We find that:

1. Establishment of the proposed Optional Calling Measured Service is in the public interest.
2. The rates herein authorized are fair and reasonable.

3. The rates hereinafter prescribed for Optional Calling Measured Service are fair and reasonable for such service.

4. The proposed new service will become effective concurrently with Continental Telephone's authorization in Decision No. 82129.

We conclude that this application should be granted and that public hearing of this application is not necessary.

IT IS ORDERED that:

1. The Pacific Telephone and Telegraph Company (Pacific) shall immediately undertake all necessary action to initiate Optional Calling Measured Service from its Fresno exchange to Continental's Tivy Valley exchange concurrent with the introduction of non-optional one-way extended area service from the Tivy Valley exchange to the Fresno exchange at the rates set forth hereinabove. The offering of OCMS shall be on an experimental basis for a period of twenty-four months.

2. Within six months of the establishment of the OCMS authorized herein, Pacific shall report to the Commission, in writing, the actual revenue effect, actual expense change, actual incremental investment changes, actual cost of ownership change, and net effect based on the first full three months of OCMS operations.

3. Within twenty-four months of the effective date of the temporary authorization herein, Pacific shall apply for further authorization of rates for the service herein ordered based on the results of its studies and customer acceptance of this service.

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

Dated at San Francisco, California, this 26th day of MARCH, 1974.

Vernon L. Stevenson
President
William Sproull - J.
[Signature]
[Signature]
Commissioners

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