

Decision No. 85090

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of )  
KERMAN TELEPHONE CO., for authority )  
to establish flat rate toll service )  
between the Kerman Exchange and the )  
Fresno Exchange and to withdraw )  
message toll service rates now in )  
effect and related changes in rates )  
and services. )

Application No. 53176  
(Filed February 28, 1972)

SUPPLEMENTAL ORDER

The Kerman Telephone Co. (Kerman), by petition filed September 11, 1975, requests modification of Ordering Paragraph 2 of Decision No. 81767 and Appendix A attached thereto.

The ordering paragraph reads as follows:

"2. When EAS and OCMS are initiated between the Kerman and Fresno exchanges, Kerman is authorized to increase its Fresno foreign exchange service rates for a period of twenty-four months to the rates set forth in Appendix A attached."

Kerman requests that Ordering Paragraph 2 and related Appendix A be modified to authorize the incremental rate differences between the present rates as shown in Application No. 53176, filed February 28, 1972, and the rates authorized by Decision No. 81767 as shown in Appendix A attached thereto.

Subsequent to the date of Decision No. 81767, Kerman filed revised Fresno FEX rates to reflect an authorized rate increase for The Pacific Telephone and Telegraph Company's Fresno business and residence local service. Consequently, the present FEX rates are

near and, in certain cases, higher than the FEX rates authorized in Decision No. 81767, with no revenue effect on Kerman.

In order for Kerman to achieve the increase in revenue authorized by Decision No. 81767, it is necessary to modify Decision No. 81767 to authorize the incremental rate increases as shown in Appendix A attached to the petition. These incremental rate increases will produce an annual revenue increase of \$9,044 before regrade, based on services as of June 1971, as used in the original proceeding of Application No. 53176. However, it is estimated that 100 percent of FEX users will change to local service after EAS is in effect.

Findings and Conclusions

The Commission finds that Ordering Paragraph 2 of Decision No. 81767 should be modified to authorize incremental rate increases for FEX in the amounts of the differences between the present rates as shown in Application No. 53176 and the rates authorized by Decision No. 81767, as shown in Appendix A attached thereto. These incremental rate increases are shown in Appendix A attached to the petition. The annual revenue increase before regrade will be \$9,044.

The Commission concludes that this petition should be granted and that a public hearing is not necessary.

IT IS ORDERED that Decision No. 81767 is modified as follows:

1. Ordering Paragraph 2 is deleted and the following Ordering Paragraph 2 is substituted therefor:

"When EAS and OCMS are initiated between the Kerman and Fresno exchanges, Kerman is authorized to increase

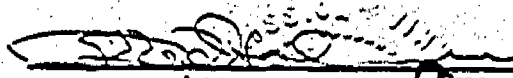
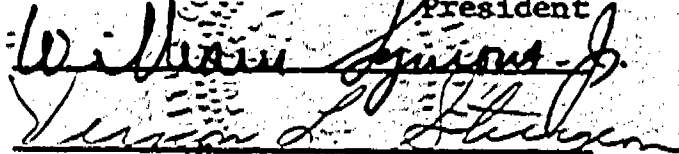

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its Fresno foreign exchange service rates and mileage rates for a period of twenty-four months by adding the increments set forth in Appendix A attached hereto."

2. Appendix A of Decision No. 81767 is deleted and Appendix A attached hereto showing the authorized increments is substituted therefor.

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

Dated at San Francisco, California, this 12<sup>th</sup> day of NOVEMBER, 1975.

  
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President  
  
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\_\_\_\_\_  
Commissioners

Commissioner Robert Batinevich, being necessarily absent, did not participate in the disposition of this proceeding.

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APPENDIX A

KERMAN TELEPHONE COMPANY  
FRESNO FOREIGN EXCHANGE SERVICE  
INCREMENTAL RATE INCREASES

Classification of  
Primary Fresno Exchange  
Service in the Kerman Exchange

Fresno  
Base Rate Area

Fresno  
Special Rate Area

Business

Individual Line

\$3.95

\$3.95

Residence

Individual Line

.60

.60

Suburban

.60

.60

Mileage Rates

(Within the Kerman  
Exchange Area)

Individual Line, each 1/2  
mile or fraction thereof

.75

.75

Residence Suburban Line,  
each 1/4 mile or fraction  
thereof

.40

.40