

Decision No. 85864

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY for authority to consolidate its Hilt and Hornbrook Exchanges; provide extended service between Hilt and Yreka and withdraw message toll service now in effect between said exchanges; eliminate the over and under 40-mile toll rating point of the Hilt Exchange and reestablish the present Hilt base rate area of the Hilt Exchange as an island base rate area in the Hornbrook Exchange

Application No. 56370
(Filed March 31, 1976)

O P I N I O N

The Pacific Telephone and Telegraph Company (Pacific) by the above entitled application has requested authorization pursuant to Sections 454 and 701 of the Public Utilities Code to consolidate Pacific's Hilt and Hornbrook Exchanges; provide extended service between Hilt and Yreka and withdraw message toll service now in effect between said exchanges; eliminate the over and under 40-mile toll rating point of the Hilt Exchange; and reestablish the present Hilt base rate area of the Hilt Exchange as an island base rate area in the Hornbrook Exchange.

The Hilt Exchange is just below the Oregon border in Siskiyou County; the community of Hilt is off of Interstate Highway 5. Hilt, in the past, relied on the Fruit Growers Supply Company for its existence, but with that firm's recent termination of operations, Pacific's number of main stations has decreased from 105 to 14 consisting of four business and ten residence services encompassed by the Hilt Exchange boundaries.

The Hornbrook Exchange, located immediately south of Hilt, is also located in Siskiyou County. Pacific has 216 main stations within the boundaries of this exchange.

The Hilt and Hornbrook Exchanges are served from a central office located in Hornbrook. The central office has a telephone prefix dedicated to each exchange; the Hilt prefix has 200 available telephone numbers and the Hornbrook prefix 300 numbers.

Pacific is running out of numbers in the Hornbrook prefix. A \$36,300 central office growth job adding 100 telephone numbers would be required by November, 1976, to continue to satisfy customer demand for telephone service. Consolidation of the Hilt and Hornbrook Exchanges will obviate the need for a growth job in the Hornbrook prefix at this time and for a number of years, and make possible the utilization of an existing unused investment in the Hilt prefix. A relatively minor central office rearrangement costing \$1,100 will tie the two prefixes together.

Consolidation will permit common usage of two existing interoffice trunk groups presently dedicated to Hilt and Hornbrook toll traffic. This will defer investment in separate interoffice trunk growth jobs for some years to come. Exchange rates for Hilt customers will be increased as shown in Exhibit B to the application. Residence customers will pay an additional 85¢ per month, and business customers and additional \$2.50 per month.

Consolidation automatically establishes a common local calling area, thus eliminating one minute-17¢, two minute-27¢ and three minute-37¢ toll calls from Hilt to Yreka.

Elimination of the under and over 40 mile toll rating point in the Hilt Exchange and resultant recentering of the 14 Hilt customers on the existing Hornbrook under and over 40-mile toll rating point will result in either a reduction or no increase in charges for calls to nearby California toll calling points and an increase for calls to most nearby Oregon toll calling points.

Urban service in the suburban territory of the proposed consolidated exchange will be furnished at the Hornbrook Exchange rates with suburban mileage measured to the nearest urban rate area resulting in the lowest charge to the customer.

Pacific estimates that the proposed consolidation will result in an annual revenue reduction of \$800.

Pacific states there is an ongoing statewide economic need to husband telephone number prefixes and therefore proposes to change the telephone numbers of the 14 Hilt customers. Their new Hornbrook telephone numbers will appear in the August, 1976, Shasta, Siskiyou, and Trinity Counties Directory. In addition, referral of calls will be provided for the life of that directory.

Each of the 14 Hilt customers was visited individually by Pacific's local manager who gave them a two-page fact sheet, explained it, and answered any questions. They all favored consolidation.

The Commission finds that consolidating the Hilt Exchange with the Hornbrook Exchange will be in the public interest; and that a public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Applicant, The Pacific Telephone and Telegraph Company, is authorized to consolidate its Hilt and Hornbrook Exchanges into one exchange to be designated the Hornbrook Exchange.
2. Applicant is authorized to provide extended service between Hilt and Yreka and to withdraw message toll service now in effect between said exchanges.
3. Applicant is authorized to discontinue the Hilt Toll Rate Center, leaving the present Hornbrook Toll Rate Center to serve the consolidated exchange.

4. Applicant is authorized to reestablish the base rate area of the Hilt Exchange as an island base rate area in the Hornbrook Exchange.

5. Applicant is authorized to file with this Commission after the effective date of this order and in conformity with General Order No. 96-A a new map substantially as shown in Exhibit A attached to the application, and appropriate tariff filings revised to reflect the changes approved above.

6. The authorization granted herein shall expire unless exercised within 12 months of this order.

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

Dated at San Francisco, California, this 25th day of MAY, 1976.

William Lyons, Jr. President
Vernon L. Stinson
Robert B. ... Commissioners

Commissioner D. W. Holmes, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Leonard Ross, being necessarily absent, did not participate in the disposition of this proceeding.