

ORIGINAL

Decision No. 88867 MAY 31 1978

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY for authority to consolidate its Emigrant Gap and Alta Exchanges; eliminate the over and under 40-mile toll rating point of the Emigrant Gap Exchange, and reestablish the present Emigrant Gap base rate area of the Emigrant Gap Exchange as an island base rate in the Alta Exchange.

Application No. 57941
(Filed March 20, 1978)

OPINION AND ORDER

The Pacific Telephone and Telegraph Company (Pacific), by the above-entitled application, requests authority to consolidate Pacific's Emigrant Gap and Alta Exchanges to be identified as the Alta Exchange; eliminate the over and under 40-mile toll rating point of the Emigrant Gap Exchange; reestablish the present Emigrant Gap base rate area as an island base rate area in the Alta Exchange; and combine the Emigrant Gap customers in the alphabetical directory for Amador, El Dorado and Placer Counties with the community identified after each listing.

The Emigrant Gap Exchange is located in Placer County on Interstate Highway 80 approximately 45 miles northeast of Auburn. It covers 100 square miles. The economy is related to summer and winter recreation. Pacific serves a total of 85 main stations consisting of 22 business, 57 residence and 6 public telephone services.

The Alta Exchange, also in Placer County, is located immediately southwest of the Emigrant Gap Exchange, on Interstate Highway 80 and includes the communities of Alta, Dutch Flat and Alpine Meadows. It covers 56 square miles. Lumber is the primary industry. Pacific serves a total of 470 main stations consisting of 52 business, 409 residence and 9 public telephone services.

This proposed consolidation is in accord with Pacific's service improvement program to eliminate CX central offices. The CX-200 office in Emigrant Gap will exhaust on fixed capacity switching links in 1980. The Alta Exchange is served by a 355A Step-by-Step unit located in Dutch Flat.

The proposed consolidation results from an analysis of the following considerations:

1. Economic selection of the best way to serve from a central office and outside plant standpoint.
2. Customer rate and service analysis.
3. Overall net dollar effect on Pacific.

Consolidation establishes a common local calling area, thus eliminating the one-minute \$0.10 day station toll calls between Alta and Emigrant Gap.

Elimination of the Emigrant Gap toll rating point and recentering on Alta changes the price of most under 40-mile toll calls for the Emigrant Gap customers. Depending on the direction of the toll calling, charges will go up or down as shown in Exhibit B of the application. However, the overall toll billing for the Emigrant Gap customers is reduced as the more frequently called numbers occur over the routes which go down in price. The Emigrant Gap customers rely heavily on Auburn for socio-economic and governmental needs and this route will have a decrease in price.

Urban services furnished in the suburban territory of the consolidated exchanges will be furnished at the Alta rates (currently the same as Emigrant Gap Exchange rates) plus suburban mileage measured to the nearest point on the Alta base rate area, Emigrant Gap Island base rate area, or Alpine Meadows special rate area - whichever results in the lowest charge to the customer. Consolidation will not affect the exchange rates currently in effect for any customer.

Pacific estimates that the proposed consolidation will result in an annual revenue reduction of \$1,900.

In December, 1976, all of the 66 Emigrant Gap customers were furnished a two-page fact sheet explaining the proposed consolidation and its effect on their toll calls. Sixty-four customers indicated they were in favor of the consolidation; the other two objected because under the original proposal, the identity of Emigrant Gap would be lost in the Amador, El Dorado, and Placer Counties Directory.

Pacific subsequently proposed that coincident with the exchange consolidation, it would combine the alphabetical listing of its customers in the Amador, El Dorado, and Placer Counties Directory into a single consolidated list designating the community for each listing. The Boards of Supervisors of the three counties have all agreed to this proposal.

The Commission finds that consolidating the Emigrant Gap Exchange with the Alta Exchange is in the public interest, will not result in any significant rate increase, and in fact will result in a general decrease in customers' monthly bills; therefore, a public hearing is not necessary.

IT IS ORDERED that:

1. Applicant, Pacific, is authorized to consolidate its Alta and Emigrant Gap Exchanges into one exchange to be designated the Alta Exchange.

2. Applicant is authorized to discontinue the Emigrant Gap toll rate center, leaving the present Alta Exchange toll rate center to serve the consolidated exchange.

3. Applicant is authorized to reestablish the Emigrant Gap Exchange base rate area as an island base rate area in the consolidated Alta Exchange.

4. Applicant is authorized to combine the customers in the Anador, El Dorado, and Placer Counties Directory in alphabetical order with the community designated after each listing.

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 thirty days after the date hereof.

Dated at San Francisco, California, this 31st day of 1 MAY, 1978.

William Sproun Jr. President
Vernon L. Sturgeon
Richard W. Howell

Commissioners
-4- Commissioner Robert Batinovich, being necessarily absent, did not participate in the disposition of this proceeding.
Commissioner Claire T. Dedrick, being necessarily absent, did not participate in the disposition of this proceeding.