

ORIGINAL

Decision No. 89718 DEC 12 1978

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC  
TELEPHONE AND TELEGRAPH COMPANY  
for authority to establish  
one-way non-optional Extended  
Area Service (EAS) from the  
Valley Ford Exchange to  
Sebastopol and Optional Calling  
Measured Service (OCMS) from  
Sebastopol to Valley Ford.

Application No. 58105  
(Filed May 30, 1978)

O P I N I O N

The Pacific Telephone and Telegraph Company (Pacific) by the above-entitled application requests authority to establish one-way non-optional Extended Area Service (EAS) from the Valley Ford Exchange to the Sebastopol Exchange and to withdraw message toll telephone service rates now in effect on calls from Valley Ford to the Sebastopol Exchange. Pacific also seeks to establish Optional Calling Measured Service (OCMS) from the Sebastopol Exchange to the Valley Ford Exchange.

Pacific's Valley Ford Exchange has a population of approximately 550 and a main station development of about 212. The Exchange is located about 10 miles west of Sebastopol along Highway 1 in Sonoma County. Services available in Valley Ford consist of a general store, auto repair and service station, volunteer fire department and primary and secondary schooling. No public transportation is available.

The Sebastopol Exchange has an estimated population of 23,500 and approximately 8,900 main stations. Sebastopol is located about 12 miles west of Santa Rosa at the junction of State Highways 116 and 12. Sebastopol contains most major life support services.

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These include medical, police and fire departments, grocery, hardware, drug and other specialty stores and services, primary and secondary educational facilities, Greyhound Bus Service, and a small taxi company. ✓

Valley Ford business customers call Sebastopol on the average of 10.6 times per month per customer; the residence customers, 5.4 times per month per customer. This calling is over a 9-mile toll route rated at the initial period day station rate of \$0.10 and each additional minute at \$0.06.

Pacific proposes to provide one-way non-optional EAS from Valley Ford to Sebastopol for an incremental rate to be added to the present basic monthly service charge. Exhibit B of the application shows the present and proposed rates for the various grades of service. The increase will be \$1.75 for basic service for business customers and \$0.60 for residence customers. These increments are based upon a formula devised in the Commission's Decision No. 77311, which specified that the increase be based upon the comparative number of main telephones in the called-exchange and the distance between the two exchanges toll rate centers. The increases will be offset by the elimination of the toll charges from Valley Ford to Sebastopol.

Because the need for Sebastopol customers to call Valley Ford is more selective, OCMS is being offered. Pacific proposes to offer Sebastopol customers OCMS in accordance with the rates and conditions set forth in its Tariff Schedule No. 149-T and Exhibit C of the application. This plan allows single-party residence customers only, in the Sebastopol Exchange, to purchase 1, 2, or 3 hours of calls per month to Valley Ford at a cost of \$1.50 per hour. This charge and time limit applies only between the hours of 8 a.m. to 8 p.m., Monday through Friday. Overtime calls during these hours and days are charged for at \$0.06 per minute. Calls made at all other times and days are not included in the time limit and are not charged for.

Pacific's gross construction costs to provide the proposed services will be \$15,000. Pacific estimates that the dollar effect of establishing EAS for Valley Ford will result in a net loss to the company of \$2,800 annually.

Subsequent to its application, Pacific notified all affected customers by mail of Pacific's proposal to provide EAS to Sebastopol. The notification invited protestants to write to the Commission. The Commission received one letter expressing the desire for more than just EAS to Sebastopol. This was the only letter received. We conclude that the proposals presented in Application No. 58105 are acceptable to and in the best interests of the community in the Valley Ford Exchange and that a public hearing is not necessary.

O R D E R

IT IS ORDERED that within 24 months of the effective date of this order, The Pacific Telephone and Telegraph Company is authorized to:

1. Establish one-way non-optional Extended Area Service (EAS) for calls from the Valley Ford Exchange to the Sebastopol Exchange and concurrently increase monthly exchange rates in the Valley Ford Exchange as proposed in Appendix B of the application or at such rates as are in effect at the time service commences.
2. Cancel and withdraw message toll telephone rates for calls from the Valley Ford Exchange to the Sebastopol Exchange.
3. Introduce Optional Calling Measured Service (OCMS) in the Sebastopol Exchange at the rates, charges and conditions as set forth in Schedule Cal. P.U.C. No. 149-T.

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

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

Dated at San Francisco, California, this 12th  
day of DECEMBER, 1978.

Rolot Bateman  
President  
William J. Quinn  
Vernon J. Stinson  
Robert D. Noble  
Clair T. Wehr  
Commissioners