

ORIGINAL

Decision No. 90428 JUN 19 1979

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Jay R. Garrett, Jessie Garrett,
et al.,
 Complainants,
 vs.
Tuolumne Telephone Co.,
 Defendant.

Case No. 10509
(Filed February 27, 1978)

Jay R. Garrett, Jessie Garrett, and John R. Holt,
for themselves, complainants.
John R. Wise, John M. Wise, and J. Calvert Snyder,
Attorney at Law, for defendant.
Harry Strahl, for the Commission staff.

O P I N I O N

The instant complaint signed by approximately 110 customers of Tuolumne Telephone Co., the defendant herein, alleges unsatisfactory service as follows:

- 1. Continual loss of service for extended periods.
- 2. Disconnection during long distance calls.
- 3. Poor connections and audio interference.
- 4. Extended waiting periods for new subscribers.
- 5. Extremely slow response for repair and service calls.
- 6. Direct dialing malfunctions.
- 7. Frequent inaccurate billing.

The complaint also alleges that a private road belonging to one of the complainants, Mr. Jay R. Garrett, was damaged by workmen of the defendant. The complaint requests that the Commission determine and order a rate reduction and further order defendant to restore Mr. Garrett's road to its original condition.

Defendant is comprised of two divisions, namely, the Tuolumne Division and the Lassen County Division. The Lassen County Division is divided into the Oak Run and Shingletown exchanges. The instant complaint concerns itself only with the Oak Run exchange of the Lassen Division.

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In its answer filed April 12, 1978, defendant acknowledges the existence of service problems and their apparent causes. The answer also generally describes what corrective action is contemplated. The answer is silent concerning the alleged road problem.

Public hearing was held before Administrative Law Judge O'Leary at Redding on December 5 and 6, 1978. The matter was submitted on the latter date. Subsequently, a brief was filed by the Commission staff and, as a result of said filing, a brief was filed by defendant. Both briefs have been rejected and have not been considered in arriving at this decision since the parties did not request nor did the ALJ set a time for the filing of briefs. Since all parties at the last day of hearing were not apprised of the intent of others to file briefs, and what the briefing schedule would be, it is reasonable to not consider the briefs. The complainants did not file a brief.

The first issue to be disposed of is the allegation concerning the damage to Mr. Garrett's road. This Commission has no jurisdiction over such matters. (Vila v Tahoe Southside Water Utility (1965) 233 CA 2d 469.) Mr. Garrett was so advised by the Commission staff when it conducted an investigation of this matter in the early part of 1978, and the matter will not be further discussed herein.

Thirteen witnesses, 10 of whom signed the complaint, testified on behalf of complainants. The testimony of the witnesses described incidents of loss of service for extended periods, disconnections during long distance calls, interference on the lines, slow response to repair requests, inaccurate billing, delays in obtaining initial service, difficulty in obtaining a private line, and numerous instances of cable lying on the ground.

The testimony of the witnesses on behalf of complainants described that there has been some improvement in the service since the complaint was filed.

Evidence on behalf of defendant was presented through Mr. John R. Wise, president and general manager of defendant, and Mr. John M. Wise, defendant's director of operations and manager of its Lassen Division.

The evidence presented on behalf of defendant discloses that defendant is aware of the problems enumerated by complainants' witnesses. The Oak Run exchange was constructed in 1964 after construction of the Shingletown exchange. At the time of construction, it was planned that plant and feeder cable would last 10 and 5 years, respectively. The present facilities are approximately 15 years old and are sorely in need of replacement. Defendant has made application to the Rural Electrification Administration (REA), which partially finances defendant for a loan in excess of \$5 million, of which approximately \$2 million will be utilized to replace existing plant and cable within the next 5 years. Improvements will include new ticketing equipment so as to provide automatic identification which will insure that customers will not have to monitor long distance calls for the purpose of checking their bills.

The testimony of defendant's witnesses further disclosed that there has been an unusual high growth in the area which necessitated installations on a temporary basis (cable lying on the ground) in order to provide new residents and businesses with telephone service and expedite needed repairs. The situation was further complicated by the resignation of the local manager and almost a complete turnover of the Lassen Division staff. To correct this situation, Mr. John M. Wise has assumed the duties of manager of the Lassen Division and is presently residing in the area. Further, the staff of the Lassen Division has more than doubled in the last 2 years.

After the filing of the complaint, the Communications Division staff conducted an investigation into the quality of service of defendant's Oak Run exchange. Its report (Exhibit 1) describes, in detail, the problems of defendant in the Oak Run exchange. Based on its investigation, the staff recommends the following:

1. Require defendant to maintain its efforts toward repair, rehabilitation, improvement, and extension of service in the Oak Run exchange.
2. Require defendant to set time tables for the initiation and completion of specific projects and activities related to improvements.

3. Require defendant to submit semi-annual reports to the Commission staff, giving details of progress and explanations of any deviations therefrom and the reasons therefor. The reports should cover the following items: line rehabilitation; new plant ordered, installed, or under construction; new vehicles and tools; personnel changes in the Lassen Division; new sizable loans or expenditures and other items necessary for improvements to bring the system to acceptable standards.
4. Require an office be established in Oak Run.
5. Require that defendant refrain from entering into any investments, enterprises, or ventures that are not related to improvements in the Oak Run exchange.
6. Increases in compensation in any form should not be allowed directors of defendant unless approved by the Commission.

The above recommendations are included in Exhibit 1 and were made prior to the presentation of defendant's evidence.

It is apparent that much work must be accomplished to improve the telephone service of defendant's Oak Run exchange. However, we do not believe the stringent requirements recommended by the staff should be imposed. Defendant has demonstrated that it is cognizant of its problems and has undertaken corrective action. We believe a more equitable solution would be to allow the company to proceed with the plans it has made. We will require defendant to furnish progress reports to the Commission semiannually on defendant's service improvement program. We will further require that all new construction and repair construction will conform to its tariffs and this Commission's requirements. Temporary construction not in compliance with applicable general orders should be made permanent within 60 days and brought into compliance with the Commission's general orders.

Findings

1. Customers of defendant have experienced the following deficiencies in service:

- a. Loss of service for extended periods.
- b. Disconnections during long distance calls.
- c. Noise interference.
- d. Slow response to repair requests.
- e. Inaccurate billings.
- f. Delays in obtaining service.
- g. Difficulty in obtaining private lines.

2. Temporary construction (cables lying on the ground) has not been converted to permanent construction within a reasonable time.

3. Defendant has embarked upon a rehabilitation program that should correct the deficiencies.

Conclusions

1. Defendant should be allowed to continue with its program to improve its Oak Run exchange.

2. The program to improve the Oak Run exchange should receive the highest priority.

3. Defendant should furnish semiannual progress reports to the Commission on defendant's service improvement program, with the first report due December 31, 1979. If the program is not completed by December 31, 1980, the report on that date should specify reasons for delay and detailed plans for completion. ✓

4. In the event the defendant fails to proceed with reasonable diligence upon its program, the Commission staff should so notify the Commission.

O R D E R

IT IS ORDERED that:

1. Tuolumne Telephone Co. shall diligently pursue its program to improve its Oak Run exchange and give the highest priority to said program.

2. All new construction shall comply with defendant's filed tariffs and the requirements of this Commission. New temporary construction, when conditions require such construction, shall be made permanent within sixty days.

3. All present temporary construction shall be made permanent, in compliance with this Commission's general orders, within sixty days after the effective date of this order.

4. Defendant shall furnish semiannual progress reports to the Commission on defendant's service improvement program, with the first report due December 31, 1979. If the program is not completed by December 31, 1980, the report on that date shall specify reasons for delay and detailed plans for completion.

5. In the event the defendant fails to proceed with reasonable diligence upon its rehabilitation program, the Commission staff shall so notify the Commission.

6. To the extent not granted herein any relief requested in the complaint is denied.

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

Dated at San Francisco, California, this 19th day of JUNE 4, 1979.

John E. Bryan
President

Vernon L. Sturgeon

Charles W. Howell

Clare L. DeBorja

Frank W. Pimental
Commissioners