

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

EVALUATION & COMPLIANCE DIVISION
Telecommunications BranchRESOLUTION NO. T-12025
May 29, 1987R E S O L U T I O N

SISKIYOU TELEPHONE COMPANY. ORDER AUTHORIZING THE ESTABLISHMENT OF A SPECIAL RATE AREA (SRA) FOR THE COMMUNITY OF SEIAD IN THE HAMBURG EXCHANGE. THIS FILING WILL RESULT IN AN ESTIMATED DECREASE IN AGGREGATE CUSTOMER BILLING OF APPROXIMATELY \$1,000.

SUMMARY

This resolution authorizes Siskiyou Telephone Company to establish a Special Rate Area (SRA) for the community of Seiad in the Hamburg Exchange, limit four-party suburban service to existing customers within the Seiad SRA, and temporarily waive Service Order and Central Office Connection charges for existing four-party customers wishing to upgrade to one-party service.

BACKGROUND

Siskiyou Telephone Company by Advice Letter No. 140 filed April 13, 1987, requests authority under Section 454 of the Public Utilities Code to make effective the following tariff revision:

1. To establish the Seiad Special Rate Area (SRA) in the Hamburg Exchange.
2. To limit four-party suburban service to existing customers within the Seiad SRA.
3. To temporarily waive Service Order and Central Office Connection charges for existing four-party customers wishing to upgrade to one-party service.

Within Siskiyou Telephone Company's service area, there are six exchanges and two toll station areas. Growth has occurred in these exchanges to the extent that consideration of special rate area development has been appropriate. Rural Electrification Administration (REA) funds were applied for and received to upgrade switching facilities to provide one-party service. Resolution T-10958, dated July 24, 1985, established three SRAs in the Ft. Jones and Etna Exchanges, and acceptance of one-party service in these areas has exceeded projections.

The Seiad SRA boundary in the Hamburg Exchange was calculated based on a computer determination of where the majority of the customers reside. This computer-based configuration, which is circular, meets the density criteria of 50 subscribers per square mile. Present one-party customer mileage from the base rate area in Hamburg to the Seiad area ranges from 20 to 53 one-quarter miles. The proposed SRA boundary reduces customer mileage to a range of 1 to 23 quarter miles.

The establishment of the Seiad SRA will affect 144 (50%) of the 287 customers presently in the Hamburg Exchange.

The Seiad SRA establishment will eliminate all mileage charges for the existing five one-party residential and business customers, respectively. For those outside the SRA, the average mileage charge for one-party residential subscribers will be reduced from the present range of \$17.60/\$24.80 to \$0.80/\$6.40. The increased monthly rate for one-party service minus reduced mileage charges results in a \$10.80 overall average monthly savings for one-party residential customers. There is no change to four-party service.

A comparison between present monthly rates and charges and proposed SRA monthly rates and charges for Seiad follows:

	<u>SEIAD SRA</u>					
	<u>Present</u>			<u>Proposed</u>		
	<u>Basic Rate</u>	<u>Mileage Charge†</u>	<u>Monthly Charge</u>	<u>Basic Rate</u>	<u>Mileage Charge†</u>	<u>Monthly Charge</u>
<u>Within SRA</u>						
<u>Residential</u>						
One-Party	\$7.60	\$23.20	\$30.80	\$12.40	--	\$12.40
Four-Party	7.20	--	7.20	7.20	--	7.20
<u>Business</u>						
One-Party	9.75	23.20	32.95	14.55	--	14.55
Four-Party	9.25	--	9.25	9.25	--	9.25
<u>Outside SRA</u>						
<u>Residential</u>						
One-Party	7.60	20.80	28.40	12.40	\$2.40	14.80
Four-Party	7.20	--	7.20	7.20	--	7.20
<u>Business</u>						
One-Party	9.75	26.40	36.15	14.55	5.60	20.15
Four-Party	9.25	--	9.25	9.25	--	9.25

†Average mileage charge based on current rate of \$0.80 per quarter mile

With the elimination of mileage charges for customers within the SRA and a significantly reduced mileage charge for those customers outside the SRA, it is anticipated party-line customers will be stimulated to upgrade to one-party service, which is a better grade of service. Additionally, Siskiyou Telephone requests a waiver of the \$10.00 Service Order and the \$16.00 Central Office Connection charges for existing four-party customers who notify the telephone company by July 1, 1987, that they want to upgrade to one-party service. We concur with Siskiyou's request.

Siskiyou Telephone states facilities to provide one-party service to all customers in the Seiad SRA are now available and therefore, requests suburban four-party service for both residential and business customers within the SRA boundary be limited to customers of record as of July 1, 1987. We concur with Siskiyou's request.

Customers were notified by bill insert on May 1, 1987, and to date, no protests have been received. No existing customers will have a rate increase.

Siskiyou Telephone requests an effective date of July 1, 1987, to allow for timely conversion. We concur with Siskiyou's request.

FINDINGS

We find that the rates, charges and conditions of service authorized in this Resolution are just and reasonable; therefore,

IT IS ORDERED THAT:

(1) Authority is granted to establish the Seiad Special Rate Area effective July 1, 1987.

(2) Four-party suburban service is limited to existing customers of record as of July 1, 1987.

(3) Authority to temporarily waive service order and service connection charges for four-party customers, who notify the company by July 1, 1987, of their desire to upgrade to one-party service, is granted.

(4) All tariff sheets filed under Advice Letter 140 shall be marked to show that such sheets were authorized by Resolution of the Public Utilities Commission of the State of California Number T-12025.

(5) The effective date of this resolution is May 29, 1987.

I certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on May 29, 1987. The following Commissioners approved it:



Executive Director

STANLEY W. HULETT
President

DONALD VIAL
FREDERICK R. DUDA
G. MITCHELL WILK
JOHN B. CHANIAN
Commissioners