

Decision No. 69069**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's
own motion into the rates, tolls,
rules, charges, operations, practices,
contracts, service and facilities of
THE PACIFIC TELEPHONE AND TELEGRAPH
COMPANY.

Case No. 7409

ORDER TERMINATING STAY AND MAKING
EFFECTIVE DECISION NO. 67369 AS MODIFIED,
AND MODIFYING DECISION NO. 67499.

The Supreme Court of California, on April 28, 1965, affirmed Decision No. 67369 in all respects except those portions of said decision which ordered respondent to make refunds to its customers of certain amounts collected by respondent prior to the effective date of Decision No. 67369, which was, pursuant to Decision No. 67498, July 20, 1964. The operative effect of said decision was indefinitely stayed, however, on July 20, 1964, by respondent's filing of the resolution prescribed by Decision No. 67499.

The Supreme Court of California in its decision cautioned the Commission against issuing any order reducing the rates of independent telephone companies before such companies had been afforded a hearing by the Commission. Most of the independent telephone companies subject to this Commission's jurisdiction have filed with the Commission as parts of their tariffs concurrences or adoptions whereby they concur in or adopt the rates, rules and regulations of respondent for message toll and multmessage unit telephone service.

It is the Commission's intention to make Decision No. 67369 presently effective, with certain necessary modifications, without violating the admonition of the Supreme Court of California above referred to, and to effectuate as soon as possible the refunds to which telephone subscribers are entitled as a result of having paid, during the period commencing July 20, 1964, charges exceeding those established by Decision No. 67369.

All independent telephone companies subject to this Commission's jurisdiction which have filed with this Commission, as parts of their tariffs, concurrences in or adoptions of the rates, rules and regulations of respondent for message toll or multmessage unit telephone service, rendered by them either separately or jointly with respondent, are hereby advised that they may, if they so elect, file, on or before June 10, 1965 tariff schedules specifying, for message toll or multmessage unit telephone service rendered by them either separately or jointly with respondent on and after July 20, 1964, and until such time as they may be modified by the Commission after hearing, the same rates, rules and regulations for such service as those in effect immediately prior to July 20, 1964.

IT IS ORDERED that paragraph 2c of Decision No. 67499 be and it is hereby modified to read as follows:

Respondent shall file with the Commission, on or before July 1, 1965, a proposed plan to refund to subscribers all amounts collected from them during the period from July 20, 1964 to June 10, 1965, representing the difference between the charges established by Decision No. 67369 and those established by respondent's tariff schedules in effect immediately prior to July 20, 1964. Said plan shall include a statement of the total amount of money to be so refunded. The refunding of money to subscribers pursuant to any such plan that may be approved by the Commission will be the subject of a further order in this proceeding.

IT IS FURTHER ORDERED that the stay embodied in paragraph 1 of the order in Decision No. 67499 be and it is hereby terminated, and that Decision No. 67369 be and it is hereby made effective, modified, however, as follows:

(a) Paragraph 1 of the order in said decision is modified to read as follows:

Respondent is directed to file in quadruplicate with this Commission, on or before June 10, 1965, and in conformity with the provisions of General Order No. 96-A, revised tariff schedules with rates, charges and conditions modified as set forth in Appendix A attached to the order in Decision No. 67369, and to make said revised tariffs effective for all service rendered on and after July 20, 1964.

(b) Paragraph 2 of the order in Decision No. 67369 is deleted.

(c) Paragraph 3 of the order in Decision No. 67369 is modified to read as follows:

On or before September 15, 1965 respondent shall prepare and file with this Commission a written report setting forth studies of its service pension fund and expense related to total California and intrastate operations separately showing: (a) current service pension accrual rate on a pay-as-you-go basis compared with its accrual basis both as a percentage of payroll and in dollars; (b) estimated service pension accrual rate as a percentage of payroll on a pay-as-you-go basis and on its accrual basis as of January 1, 1965, January 1, 1970 and January 1, 1980; and (c) the estimated future date on which respondent's service pension accrual rate calculated as a percentage of payroll will equal and thereafter be less than the service pension rate computed on a pay-as-you-go basis.

The Secretary of the Commission is directed to cause a certified copy of the foregoing order to be served forthwith upon the respondent and all parties of record, and to all independent telephone companies subject to the Commission's jurisdiction.

The effective date of this order is June 10, 1965.

Dated at Los Angeles, California, this 18th day of MAY, 1965.

Fredrick B. Holbrook
President
George T. Hoover
Regulator

Commissioners

Commissioner Peter E. Mitchell
present but not voting.

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.