

Decision No. 82225**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

MECO MORTGAGE COMPANY, a
corporation, and MECO
FINANCIAL CORPORATION, a
corporation,

Complainants,

vs.

Case No. 9634

THE PACIFIC TELEPHONE AND
TELEGRAPH COMPANY, a
corporation,

Defendant.

ORDER GRANTING INTERIM RELIEF

Complainants allege that they were induced by defendant's employees to have certain telephone equipment installed which had capabilities beyond complainants' short term needs. Complainants assert that they declined the equipment on the basis that the termination charges (\$6,600 less 1/60 for each full month the equipment is in service) would make it prohibitively expensive if the extra capacity were not needed and the system replaced with more modest equipment. Complainants allege that defendant's employees represented that the termination charges would be eliminated if complainants agreed to take the more costly equipment recommended to complainants by these employees, and in reliance on this representation complainants had the equipment installed.

Complainants used this equipment for approximately one year and then determined that it exceeded complainants' needs and had it replaced with a more economical system. Complainants allege that defendant represented that the request for new service did not contemplate a requirement that any termination charge for the previous equipment would have to be paid, and that there would be no termination of the new service because of non-payment of the disputed charge of \$4,565.59. By letter dated November 16, 1973 (Exhibit G to complaint) defendant has demanded payment or the deposit of the disputed sum with this Commission within 15 days, or telephone service to complainants will be discontinued. Complainants ask, inter alia, for interim relief preventing discontinuance of telephone service for reason of the disputed termination charge, pending resolution of this matter by the Commission.

Defendant has agreed to withhold discontinuance until December 6, 1973.

In view of the large sum of money involved and complainants' assertions that they would not have accepted the system proposed by defendant's employees if the termination charge in question were made applicable to their service, and complainants' further assertion that defendant's employees represented that new service would not be interrupted by reason of non-payment of the disputed charge, the Commission is of the opinion that complainants have shown sufficient cause to warrant grant of interim relief.

IT IS ORDERED that:

Defendant shall not discontinue or interrupt complainants' existing telephone service for non-payment of the disputed termination charge of \$4,565.59 pending resolution of this complaint.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 4th day of DECEMBER, 1973.

Vernon L. Stinger
resident
William J. Simpson Jr.
John J. Wilson
James L. ...
Samuel ...
Commissioners