

ltc/bw

Decision No. 85293

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
CONTINENTAL TELEPHONE COMPANY OF
CALIFORNIA, a California corporation,
for authority to increase its rates
for telephone service.

Application No. 55376

SUPPLEMENTAL OPINION AND ORDER

Decision No. 85252 issued on December 16, 1975 increased applicant's rates on an interim refundable basis by an estimated \$9.639 million per year.

This increase was effectuated by a surcharge of 27.33 percent on all of applicant's intrastate billings except classified directory listings and advertisements.

The decision indicated that a reduction in this surcharge would be ordered without hearing when and if additional revenues were provided to Continental as a result of the application of The Pacific Telephone and Telegraph Company for increased rates (Application No. 55214). That proceeding was decided by Decision No. 85287 issued December 30, 1975. As a result of the toll increases granted therein, applicant will realize additional revenues of \$3.2 million per year from the statewide toll pool.

Ordering Paragraph 5 of Decision No. 85252 directed the staff to furnish a late-filed exhibit setting forth the "impact on the surcharge of revenues received by applicant as a result of any order in Application No. 55214." That requirement is no longer

necessary since the decision in Application No. 55214 specifically sets forth its own impact on Continental's revenues.

We find that if the surcharge presently applied to applicant's intrastate billings is not reduced to 18.25 percent, the revenues generated thereby would be unjust, unreasonable, and excessive in the amount of \$3.2 million per year and conclude that applicant should be ordered to reduce its presently effective surcharge to 18.25 percent.

IT IS ORDERED that applicant shall, not later than ten days after the effective date of this order, file in accordance with General Order No. 96-A the tariff schedule attached hereto as Appendix A and shall make the tariff schedule effective for service rendered on and after the date of filing. On the date of filing it shall cancel the tariff schedule authorized by Decision No. 85252. The tariff schedule imposed hereby shall be of no further force and effect on the effective date of a final order herein.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 30th day of DECEMBER, 1975.

Labstein
Leonard Ross
Commissioner

Labstein
Robert H. H. H.
Commissioner

William J. Stinson, Jr.
President
William L. Stinson

Commissioners

APPENDIX A

Applicability

Applicable to customer's intrastate billing for services rendered, except classified directory listings and advertising.

Territory

Within the territory served.

Rates

Intrastate billing surcharge effective January *, 1976, and until further order of the Public Utilities Commission of the State of California.

Percentage Rate

18.25%

* Date of tariff filing, not later than January 9, 1976.