

ALJ/jn/bg

Decision 84 05 059

MAY 16 1984

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE)
AND TELEGRAPH COMPANY, a corporation,)
for authority to increase rates for)
mobile radiotelephone services to)
cover increased costs of providing)
said services.)

Application 60759
(Filed July 24, 1981;
amended March 31, 1983)

(For appearances see Decision 82-05-013.)

O P I N I O N

The Pacific Telephone and Telegraph Company (Pacific) seeks authority to make permanent the interim rates for improved mobile radiotelephone service (IMTS) authorized by Decision (D.) 82-05-013, dated May 4, 1982. Ordering Paragraph 3 of that decision ordered Pacific to file this amended application for permanent rates based on cost following six months of full systemwide IMTS operation.

Exhibit D of the amended application presents the results of operation for the six months IMTS test period together with supporting detail. Table 1 below shows a summary of these operating results on an annualized basis.

TABLE 1

THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY
ANNUALIZED RESULTS OF OPERATION - STATE OF CALIFORNIA
IMPROVED MOBILE TELEPHONE SERVICE (IMTS)

<u>ITEM</u>	<u>AMOUNT (\$000)</u>
Revenue	\$ 3,920
Expenses, except Income Tax	2,739
State Income Tax	124
Federal Income Tax	284
Net Income	773
Telephone Plant in Service & Working Cash	12,067
Depreciation Reserves	4,494
Net Telephone Plant & Working Cash	7,573
Rate of Return	10.2%

The Communications Division of the Commission staff has reviewed the application and its supporting exhibits, and the staff concludes that they constitute an appropriate basis for authorizing Pacific, without further hearing, to make permanent the rates for IMTS established on an interim basis by D.82-05-013.

No protests to the amended application have been received by the Commission.

Findings of Fact

1. The test period results of operation show that the rates requested will allow Pacific to recover its costs of providing mobile radiotelephone service and to earn an estimated return of 10.2% on its invested capital.

2. The rates and charges authorized by this decision are just and reasonable.

3. Further public hearing in this proceeding is not necessary.

Conclusion of Law

Pacific should be authorized to make permanent the rates and charges authorized for IMTS on an interim basis by D.82-05-013.

O R D E R

IT IS ORDERED that:

1. Within 10 days from the effective date of this order, The Pacific Telephone and Telegraph Company (now Pacific Bell) shall file with this Commission, in conformity with the provisions of General Order 96-A, the necessary tariff revisions to make permanent the interim rates, charges, and conditions set forth in Appendix B to D.82-05-013.

2. This proceeding is closed.

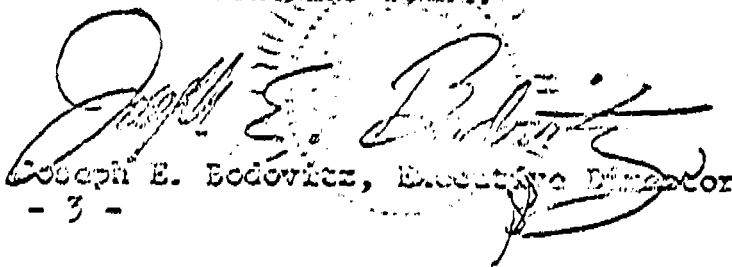
This order becomes effective 30 days from today.

Dated May 16, 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.
President
VICTOR CALVO
PRISCILLA C. GREW
DONALD VIAL
Commissioners

Commissioner William T. Bagley,
being necessarily absent, did not
participate.

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Joseph E. Bodovitz, Executive Director

2. The rates and charges authorized by this decision are just and reasonable.

3. Further public hearing in this proceeding is not necessary.

Conclusion of Law

Pacific should be authorized to make permanent the rates and charges authorized for IMTS on an interim basis by D.82-05-013.

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This order becomes effective 30 days from today.

Dated MAY 16 1984, at San Francisco, California.

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President
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