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**ORIGINAL**Decision 84 06 189

JUN 20 1984

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's )  
 own motion into the method of )  
 implementation of the Moore )  
 Universal Telephone Service Act )

OII 83-11-05  
 (Filed November 30, 1983)

ORDER MODIFYING DECISION 84-04-053  
AND GRANTING A LIMITED REHEARING

Applications for rehearing of D.84-04-053 have been filed by 1) Assemblywoman Gwen Moore; 2) jointly by FTC Communications, Inc., ITT World Communications, Inc., RCA Global Communications, Inc., TRT Telecommunications Corporation and Western Union International, Inc.; 3) Toward Utility Rate Normalization (TURN); 4) Western Union Telegraph Company; and 5) MCI Telecommunications Corporation. We have considered all of the allegations raised in the petitions and are of the opinion that good cause has been shown for granting a rehearing of D.84-04-053 limited to the following issues:

1) The determination of the criteria for inclusion on the list of "service suppliers" to be subject to the Moore Act Tax and the designation of appropriate "service suppliers," including consideration of the question whether record services, such as telex, are within the definition of intrastate telecommunications services; and

2) Consideration of the potential problem of duplicative-taxation of facilities-based and resold services and development of a rule for avoiding such double-taxation.

We are also of the opinion that the decision should be modified to provide clarification and further discussion and findings on several issues raised in the petitions. Therefore,

IT IS HEREBY ORDERED that a rehearing of D.84-04-053 is granted, limited to the issues of the determination of the criteria for inclusion on the list of "service suppliers" to be subject to the Moore Act tax, and the designation of appropriate "service suppliers," including the question of whether record services, such as telex, are within the definition of intrastate telecommunications services and consideration of the potential problem of duplicative-taxation of facilities-based and resold services including the development of a rule for avoiding such double-taxation.

IT IS FURTHER ORDERED that D.84-04-053 is modified as follows:

1) The fifth sentence on page 9 of the decision is modified to state:

"Adoption of a means test in order to target the most amount of help to the at-risk population is consistent with the intent of the Act".

2) The following language is added to footnote 2 at page 8 of the decision:

"In addition, the Los Angeles Department of Water and Power imposes an \$11,000 means test for its elderly-customer subsidy program and the Director of the California Department of Consumer Affairs recommended, inter alia, the imposition of the state poverty guideline of approximately \$11,000."

3) The eighth full sentence on page 8 of the decision is modified to state:

"We believe that the needs of handicapped or elderly persons regarding telephone service will be substantially satisfied by the income test. However, we are specifically interested in evaluating the success of the

lifeline rates adopted today in meeting these customers' needs."

4) The following Findings of Fact are added to D.84-04-053:

"24. The Moore Act's intended purposes can be achieved at this time without the public need to impose the Moore Act tax on intraLATA services".

"25. The needs of the elderly and handicapped, whose physical limitations may prevent them from completing an elaborate certification requirement, will be better met through the self-certification method for establishing eligibility."

IT IS FURTHER ORDERED that except as granted herein, rehearing of D.84-04-053 as modified is denied.

This order is effective today.

Dated JUN 20 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.  
President  
VICTOR CALVO  
FRISCILLA C. GREW  
DONALD TIAL  
WILLIAM T. BAGLEY  
Commissioners

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS

*[Handwritten Signature]*  
Joseph M. ... Executive Director

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