Decision 84 07 067

JUL 5 1984

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY, a corporation, for authority to increase certain intrastate rates and charges applicable to telephone services furnished within the State of California due to increased depreciation expense.

Application 82-11-07 (Filed November 4, 1982)

Application 83-01-22 (Filed January 17, 1983)

OII 83-04-02 (Filed April 20, 1983)

Application 83-06-65 (Filed June 30, 1983)

Case 82-10-09 (Filed October 28, 1982)

(I&S) Case 83-11-06 (Filed November 22, 1983)

(I&S) Case 83-11-07 (Filed November 22, 1983)

And Related Matters.

ORDER DENYING REHEARING OF DECISION 84-04-104

On April 18, 1984, the Commission issued Decision (D.) 84-04-104, which denied rehearing of D.83-12-025, the Phase I decision in Pacific Bell's (Pacific) then pending general rate case, but made certain modifications to that latter decision. Pacific filed an application for rehearing of D.84-04-104, specifically protesting the Commission's treatment of

underutilized plant. We have carefully considered all of the allegations raised in this application, and are of the opinion that sufficient grounds for granting rehearing have not been shown.

We do note that in D.84-06-111, the Phase II decision in this case, the rate of return penalty has been adjusted commensurate with our reduction of the authorized return to 12.64% in D.84-04-104. We will not make any additional adjustment to the rate of return penalty at this time. We note also that Pacific's request regarding the date by which it may apply for removal of the penalty imposed on underutilized plant was granted in D.84-06-111. Therefore,

IT IS ORDERED that rehearing of D.84-04-104 is hereby denied.

This order is effective today.

Dated ______ JUL 5 1984 _____, at San Francisco, California.

LEONARD M. GRIMES. JR.
President
VICTOR CALVO
PRISCILLA C. GREW
DONALD VIAL
WILLIAM T. BAGLEY
Commissioners

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

cooph E. Bodovicz, Executive Direct