

ORIGINAL

Decision 84 11 010

NOV 7 1984

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE PACIFIC TELEPHONE)
 AND TELEGRAPH COMPANY, a corporation,)
 for authority to restructure and)
 increase certain rates associated)
 with its Intrastate TELPAK services.)

Application 82-11-03
 (Filed November 1, 1982;
 amended August 18, 1983)

Christopher L. Rasmussen, Attorney at Law, for
 Pacific Bell, applicant.

Richard W. Smith, Attorney at Law, for Zone 14
 Motor Carrier Telpak Committee, California
 Trucking Association, and Di Salvo Trucking
 Company, Kings County Truck Lines, Lodi Truck
 Service, Smiser Freight Service, Smith
 Transportation Co., and Wallace Transport,
 protestants.

Emily T. Marks, for the Commission staff.

OPINION ON REHEARING

In Decision (D.) 83-12-057 dated December 20, 1983 in
 Application (A.) 82-11-03 we ordered that:

- "1. On and after the effective date of this
 order, The Pacific Telephone and Telegraph
 Company (Pacific) is authorized to file the
 revised intrastate Telpak rate structure to
 establish a universal intrastate Telpak
 mileage charge attached to this order as
 Appendix A and to concurrently withdraw and
 cancel its present structure. . . ."

* * *

- "3. Pacific is authorized to bill the lesser of
 the amount of each customer circuit when
 compared between the universal intrastate
 Telpak mileage charge, and its comparable
 individual channel rates."

The Zone 14 Motor Carrier Telpak Committee, California
 Trucking Association, and Di Salvo Trucking Company, Kings County
 Truck Lines, Lodi Truck Service, Smiser Freight Service, Smith
 Transportation Co., and Wallace Transport (petitioner) filed an

application for rehearing of D.83-12-057 on January 18, 1984. In D.84-04-103 we granted a rehearing limited to the issue of whether Pacific Bell (formerly The Pacific Telephone and Telegraph Company) and AT&T Communications of California (AT&T Comm.) (a subsidiary incorporated at divestiture by American Telephone and Telegraph Company) should be authorized to permanently convert from intrastate Telpak mileage charges to individual private line rates based on the January 1984 comparison ordered in D.83-12-057, or whether Telpak services and channels converted to individual private channel billing may at a future date revert to Telpak services and billing. After divestiture, Pacific Bell now offers intrastate intraLATA Telpak services and AT&T Comm. the intrastate interLATA services.

Hearing

A duly noticed hearing was held before Administrative Law Judge J. J. Doran in San Francisco on September 17, 1984 and the matter was submitted upon the receipt on October 5, 1984 of late-filed Exhibit 3, a revision to the Telpak tariff, Schedule Cal. P.U.C. No. 122-T, reflecting the stipulation of the parties at hearing.

Hathaway Watson, III, counsel for AT&T Comm., entered an appearance. Watson stated that AT&T Comm. has Commission authorization to withdraw Telpak service by January 31, 1985. (D.84-06-111 and D.84-07-121.) He stated that in the interim AT&T Comm. "will continue to honor requests by customers for changing their service under the tariffs between Telpak and other private line services in California." He also stated that the above handling of service requests is consistent AT&T Comm. understanding with petitioner. He then made a motion for AT&T Comm.'s dismissal from the proceeding. All other parties stated that they had no objection to the motion. The motion was granted.

At hearing, counsel for Pacific Bell made the following proposal to resolve the issue. Customers who transferred from Telpak to private line services would be allowed to reconvert to Telpak, if

they could show that their Telpak rates would have been lower and if they would pay the nonrecurring tariff charges for the change in service. Therefore, the January 1, 1984 conversion from Telpak to private line service would not be permanent. A Telpak customer of record on December 31, 1983 could change between private line service and Telpak service.

Counsel for petitioner agreed to the proposal. The representative of our Telecommunications Branch stated that she did not object to the proposal. No one else objected to the proposal.

It is noted that AT&T Comm. prior to hearing had offered a similar proposal to its customers who were Telpak customers of record on December 31, 1983.

Pacific Bell's counsel then stated that Pacific Bell would submit within two weeks a late-filed Exhibit 3, the revised Telpak tariff conditions to implement the stipulation. Counsel stated that tariff would be circulated to petitioner and staff. Counsel also stated that Pacific Bell would be filing an advice letter to withdraw Telpak.

Late-filed Exhibit 3 was received on October 5, 1984 and does implement what was acceptable to the parties at hearing. The tariff conditions in late-filed Exhibit 3 would moderate the rate shock to Telpak customers during this period of divestiture, are in the public interest, and should be authorized.

We are persuaded that D.83-12-057 should be modified to show that the service change authorized is not a permanent change as discussed above and as shown in the following order.

O R D E R

IT IS ORDERED that D.83-12-057 is modified as follows:

Conclusion of Law 5 is added:

5. Telpak customers of record on December 31, 1983 converted to private line should have the option to reconvert to Telpak.

Appendix A is revised by adding page 2 attached to this order.

This order becomes effective 30 days from today.

Dated NOV 7 1984, at San Francisco, California.

VICTOR CALVO
PRISCILLA C. GREW
DONALD VIAL
WILLIAM T. BAGLEY
Commissioners

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


Joseph A. Bodovitz, Executive Director

APPENDIX A
Page 2

SCHEDULE CAL. P.U.C. No. 122-T
PRIVATE LINE SERVICES AND CHANNELS
TELPAK CHANNELS AND SERVICES

SPECIAL CONDITIONS - Continued

L. Telpak Universal Mileage - Continued

4. Telpak services and channels converted to individual private line channel billing by the Utility pursuant to Decision 83-12-057 as described in 2. and 3. preceding may be reconverted to Telpak services and channel billing provided that:
 - a. Each customer requesting such reconversion shall provide the Utility with a comparison of rates under the Telpak services and channels tariff schedule and under the private line services and channels tariff schedule at the time of the request to reconvert.
 - b. The reconverted Telpak customer shall pay the appropriate nonrecurring charges as specified in RATES B.1.a. preceding for each reconversion.
5. Telpak services and channels previously converted to individual private line channel billing at the specific request of the customer may not be reconverted to Telpak services and channels.
6. The Telpak universal rate per mile is applicable only to those rate centers connected to an individual Telpak service or channel which is in service January 1, 1984.
 - a. Customer premises locations may be added at such rate centers by the use of additional service terminals as described in RATES B.2.a. preceding.
 - b. Customer premises locations may be added to rate centers other than those described in 6.a. above (that is, a rate center added subsequent to January 1, 1984). However, the rates and charges applicable for adding such rate centers will be those for individual private line channel mileage, channel terminals, and local loops as specified in the appropriate tariff.
7. The Telpak universal mileage measurement is the airline distance between rate centers as specified in 6. preceding.
8. The private line channel mileage measurement is the airline distance between wire centers as specified in Section 14, Schedule Cal. P.U.C. No. 175-T.

(END OF APPENDIX A)