ALJ/rr/jt

Decision 84 11 018

NOV 7 1984

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of R.A.T.E.S. INC., for a Certificate of Public Convenience and Necessity to Operate as a Reseller of Telecommunications Services Within California.	))))))	Application 84-10-006 (Filed October 2, 1984)

O P I N I O N

R.A.T.E.S. INC. (applicant) has filed an application requesting that the Commission issue a certificate of public convenience and necessity under Public Utilities Code § 1001 to permit applicant to operate as a reseller of telephone services offered by communications common carriers providing telecommunications services in California.

By order dated June 29, 1982 the Commission instituted an investigation to determine whether competition should be allowed in the provision of telecommunications transmission services within the state (OII 83-06-01). Numerous applications to provide competitive service were consolidated with that investigation and by Interim Decision (D.) 84-01-037 dated January 5, 1984 and subsequent decisions, these applications were granted, limited to the provision of interLATA service and subject to the condition that applicants not hold out to the public the provision of intraLATA service pending our decision in the Order Instituting Investigation.

On June 13, 1984 we issued D.84-06-113 in OII 83-06-01 denying the applications to the extent not previously granted and directing persons not authorized to provide intraLATA telecommunications to refrain from holding out the availability of such services and to advise their subscribers that intraLATA communications should be placed over the facilities of the local exchange company.

Pacific Bell filed a protest to the part of the application that requests intraLATA authority. It does not oppose the granting of interLATA authority. Since we are not authorizing intraLATA service the protest is moot.

There is no basis for treating this applicant any differently than those which filed earlier. Therefore this application will be granted to authorize interLATA service and to the extent that it requests authorization for intraLATA service it will be denied.

Findings of Fact

1. By D.84-01-037 the Commission authorized interLATA entry generally.

2. By D.84-06-113 the Commission denied applications to provide competitive intraLATA telecommunications service and required persons not authorized to provide intraLATA telecommunications service to refrain from holding out the availability of such services and to advise their subscribers that intraLATA communications should be placed over the facilities of the local exchange company.

3. There is no basis for treating this applicant differently than those which filed earlier.

4. Because of the public interest in effective competition interLATA this order should be effective today.

5. Applicant should be designated as a service supplier as defined in Part 22, Chapter 1, Section 44016 of the Revenue and Taxation Code, and be subject to the tax on interLATA revenue, which is currently 4%.

6. Applicant should be subject to the user fee as a percentage of gross intrastate revenue pursuant to Public Utilities Code §§ 431-435. The fee is currently .1% for the 1984-85 fiscal year.

Conclusion of Law

This application should be granted in part to the extent set forth below.

O R D E R

IT IS ORDERED that:

1. The application of R.A.T.E.S. INC. is granted to the limited extent of providing the requested service on an interLATA basis, subject to the condition that applicant refrain from holding out to the public the provision of intraLATA service and subject to the requirement that it advise its subscribers that intraLATA communications should be placed over the facilities of the local exchange company.

2. To the extent that the application requested authorization to provide intraLATA telecommunications services, the application is denied.

3. Applicant is authorized to file with this Commission, 5 days after the effective date of this order, tariff schedules for the provision of interLATA service. If applicant has an effective FCC-approved tariff, it may file a notice adopting such FCC tariff with a copy of the FCC tariff included in the filing. Such adoption notice shall specifically exclude the provision of intraLATA service. If applicant has no effective FCC tariffs, or wishes to file tariffs applicable only to California intrastate interLATA service, it is authorized to do so, including rates, rules, regulations, and other provisions necessary to offer service to the public. Such filing shall be made in accordance with General Order (GO) 96-A, excluding Sections IV, V, and VI, and shall be effective not less than 1 day after filing.

4. The requirements of GO 96-A relative to the effectiveness of tariffs after filing are waived in order that changes in FCC tariffs may become effective on the same date for California interLATA service for those companies that adopt the FCC tariffs.

5. Applicant is designated as a service supplier as defined in Part 22, Chapter 1, Section 44016 of the Revenue and Taxation Code, and is subject to the tax on interLATA revenue.

6. Applicant is subject to the user fee as a percentage of gross intrastate revenue pursuant to Public Utilities Code §§ 431-435.

7. The application is granted in part and denied in part as set forth above.

This order is effective 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 E. Bodovitz, Executive Director