

Decision 84 12 024

DEC 5 1984

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SONITROL OF FRESNO, INC., SONITROL)
 SECURITY, INC., SONITROL OF ORANGE)
 COUNTY, SONITROL OF BAKERSFIELD,)
 SONITROL OF CONTRA COSTA, LTD.,)
 SONITROL-PENINSULA, LTD. NORTH,)
 SONITROL OF LONG BEACH, SONITROL OF)
 SOUTH LOS ANGELES, INC., SONITROL OF)
 MODESTO, SONITROL-PENINSULA, LTD.)
 SOUTH, SONITROL OF SACRAMENTO,)
 SONITROL OF SAN BERNARDINO, SONITROL)
 OF SAN DIEGO, SONITROL OF SAN)
 FRANCISCO, SONITROL OF SAN JOSE,)
 SONITROL OF SOUTHERN ALAMEDA COUNTY,)
 SONITROL OF STOCKTON, CURT CRAIG, DON)
 LITTLE, ROBERT REED, JIM OLLIVIER,)
 SHARLENE McDONALD, JEANINE KINDLE,)
 ALAN BROIDO, LEO BROIDO, JAMES)
 YAMAKI, MARILYN YAMAKI, MIKE)
 OLLIVIER, CHUCK SCHMIDT, KENT)
 ETCHISON, RICHARD ETCHISON, DAVE)
 KUHLMAN, MARTH LITTLE, JOE VILLA,)
 DENNIS CRAIG, CLAY FULLER, STAN)
 SKIBA, BRAD KLINK, CONNIE HORVATH,)
 PAUL SHUMATE, DAVID OSWALT, SANDRA)
 OSWALT, ROSE ETCHISON, BRUCE JOHNSON,)
 BOB KRAUS, CARTER THOMAS, DR. LEONARD)
 LOVALVO, NILA KRAUS, RON JONES, PAT)
 JONES, BARBARA BRIGGS, RUTH NICHOLAS,)
 and PAUL BRIGGS,)

Case 84-10-044
(Filed October 17, 1984)

Complainants,

v

PACIFIC BELL, a California
corporation,

Defendant.

INTERIM OPINION

Complainants in this matter are 16 regional Sonitrol corporations, Sonitrol Security, Inc., also a corporation, and 36 individuals associated with the business of these corporations. Hereafter complainants are jointly described as Sonitrol. Sonitrol is in the business of selling, installing, maintaining, and monitoring security systems for business, government, and private residential use. Using receiving equipment, Sonitrol monitors electrical alarm signals transmitted from these customers' premises over private lines provided by defendant Pacific Bell (PacBell). The customers pay a monthly fee to Sonitrol for its equipment and services and they pay PacBell for use of its lines. In some cases Sonitrol is billed directly by PacBell for the lines and passes these charges on to its customers.

This Commission issued Decision (D.) 84-06-111 on June 13, 1984 authorizing PacBell to increase certain of its rates effective July 1, 1984. In so doing we stated:

"PacBell's proposed restructuring and disaggregation of private line rate elements appears to promote equitable pricing of private line services by more accurately assigning costs to those who are served. No substantial objections have been raised to the proposed restructuring, except to the extent that recurring charges for some service configurations will be increased by more than 100% by the proposed combination of rate increases and restructuring. Because we will be setting recurring rates significantly below proposed levels few, if any, service configurations will experience increases in recurring charges exceeding 100%. We find the proposed restructuring of private line rates reasonable." (D.84-06-111 at 166.) (Emphasis added.)

It was clearly our understanding of the rates that we were authorizing that almost no private line customer would experience increases exceeding 100% when such rates were adopted. We reached this understanding in reliance upon testimony by PacBell witness R. S. Normington, who provided examples in exhibit RSN-5 of Exhibit 603 of "typical customer impact," including series 1001 and 1009B alarm-type circuits. These examples indicated few increases greater than 100% even at PacBell's proposed rates (3 out of 12 examples) and none greater than 101% at our adopted rates.

This understanding was one reason we concluded that the rates were reasonable. Now this present matter comes to our attention in which it has been alleged that after PacBell instituted these new rates over 40% of Sonitrol's 9,000 plus private line security system customers served by PacBell have sustained rate increases for these recurring costs of over 100%.

Such increases do not comport with the intent of our rate increase authorization in D.84-06-111.

The first day of hearing was held in this matter before Administrative Law Judge Colgan on November 21, 1984. At the end of that day counsel for Sonitrol moved that this Commission grant complainants temporary relief contending that Sonitrol would suffer irreparable harm from PacBell's improper implementation of D.84-06-111. Specifically counsel requested that the mileage charges set forth in PacBell's tariff schedule 104-T be suspended, either as to amounts in excess of 100% of prior bills or as to mileage charges for mileage over three miles, pending the outcome of this proceeding. The three-mile limit was based on the testimony of a witness who determined that Sonitrol customers not required to pay mileage charges under the previous tariffs would pay less than 100% increases under the new tariffs so long as the mileage charge was for three miles or less, while those with greater mileage charges would

all have rates in excess of 100%. The accuracy of this claim is not in dispute and can be easily verified by computations based on the mileage portions of the tariff.

If PacBell's implementation of its new rate structure does controvert our intent, we agree that such implementation could result in irreparable harm to Sonitrol and any others similarly situated. Since it is our firm position that few, if any, private line recurring rate service configurations should experience charges exceeding 100%, we believe it appropriate to assure that the class of customers described in this complaint, that is, customers utilizing line circuits of the type 1009, 3001, and 3009, not suffer possible irreparable harm pending the outcome of this proceeding.

Recognizing that there may be other classes of private line customers who likewise have experienced billing increases larger than we intended in D.84-06-111, we plan to issue an Order Instituting Investigation shortly to determine whether modification of other private line tariffs is warranted.

Findings of Fact

1. Imposition of mileage charges for private line interoffice mileage exceeding three miles has caused some alarm system users to experience increases in recurring charges billed for private line service substantially exceeding 100%.

2. In issuing D.84-06-111 it was our intent that few, if any, private line customers would experience recurring charge increases exceeding 100%.

Conclusion of Law

Suspension of recurring charges for interoffice mileage exceeding three miles for certain private line customers is reasonable to prevent irreparable harm to these customers.

INTERIM ORDER

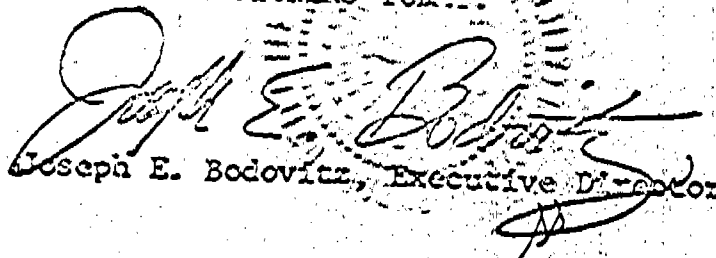
IT IS ORDERED that Pacific Bell immediately suspend the implementation of all interoffice mileage charges set forth in its tariff schedule 104-T to the extent that those charges exceed the interoffice mileage charge for 3 miles with respect to all customers receiving service over type 1009, 3001, and/or 3009 line circuits. Such suspension shall remain in effect pending further order of this Commission.

This order is effective today.

Dated December 5, 1984, at San Francisco, California.

DONALD VIAL
President
VICTOR CALVO
PRISCILLA C. GREW
WILLIAM T. BAGLEY
FREDERICK R. DUDA
Commissioners

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


Joseph E. Bodovitz, Executive Director

all have rates in excess of 100%. The accuracy of this claim is not in dispute and can be easily verified by computations based on the mileage portions of the tariff.

If PacBell's implementation of its new rate structure does controvert our intent, we agree that such implementation could result in irreparable harm to Sonitrol and any others similarly situated. Since it is our firm position that few, if any, private line recurring rate service configurations should experience charges exceeding 100%, we believe it appropriate to assure that the class of customers described in this complaint, that is, customers utilizing line circuits of the type 1009, 3001, and 3009, not suffer possible irreparable harm pending the outcome of this proceeding.

Findings of Fact

1. Imposition of mileage charges for private line interoffice mileage exceeding three miles has caused some alarm system users to experience increases in recurring charges billed for private line service substantially exceeding 100%.

2. In issuing D.84-06-111 it was our intent that few, if any, private line customers would experience recurring charge increases exceeding 100%.

Conclusion of Law

Suspension of recurring charges for interoffice mileage exceeding three miles for certain private line customers is reasonable to prevent irreparable harm to these customers.

INTERIM ORDER

IT IS ORDERED that Pacific Bell immediately suspend the implementation of all interoffice mileage charges set forth in its tariff schedule 104-T to the extent that those charges exceed 3 miles with respect to all customers receiving service over type 1009, 3001, and/or 3009 line circuits. Such suspension shall remain in effect pending further order of this Commission.

This order is effective today.

Dated DEC 5 1984, at San Francisco, California.

DONALD VIAL
President
VICTOR CALVO
PRISCILLA C. GREW
WILLIAM T. BAGLEY
FREDERICK R. DUDA
Commissioners

Insert in Sonitrol draft decision, Agenda Item 12

Insert immediately before the Findings of Fact on p. 4:

See
Recognizing that there may be other classes of private line customers who likewise have experienced billing increases larger than we intended in D.84-06-111, we plan to issue an Order Instituting Investigation shortly to determine whether modification of other private line tariffs is warranted.