Decision 89-09-097 September 27, 1989

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Adolf Loeb and Ann Loeb,

Complainants,

vs.

General Telephone Company of California,

(ECP) Case 88-02-008 (Filed February 3, 1988)

Defendant.

(U-1002-C)

### OPINION MODIFYING DECISION 89-01-041

#### Petition

On July 7, 1989, GTE California Incorporated (GTE), formerly General Telephone Company of California, filed a petition for modification (petition) of Decision (D.) 89-01-041. Ordering Paragraph 2 of D.89-01-041 requires GTE to file an informational disclosure tariff rule identical to Pacific Bell's Tariff Rule 2.1.12, within 90 days from the effective date of the decision, or May 27, 1989. GTE requests that Ordering Paragraph 2 of the decision be stayed until the fourth quarter of 1990, when GTE plans to place in service a new automated billing system.

GTE asserts that without the availability of its new automated billing system, it will have to prepare customer notices manually at an annual cost of approximately \$1.5 million. However, if Ordering Paragraph 2 is stayed until GTE's new automated billing system is implemented, GTE estimates that it can save over \$0.5 million dollars in labor costs annually.

GTE also asserts that it should only be required to implement Pacific Bell's informational disclosure tariff rule in effect at the time D.89-01-041 was signed. GTE requests this

modification because at the time Ordering Paragraph 2 was to take effect, Pacific Bell's tariff rule applied to only residential and "single business line service."

### Discussion

D.89-01-041, issued on January 27, 1989, became effective on February 26, 1989. If GTE implemented Ordering Paragraph 2 within 90 days from the effective date of the decision, as required, GTE's informational disclosure tariff would have been filed by May 27, 1989. However, GTE did not file its informational disclosure tariff on time and did not file its petition until July 7, 1989, more than a month past the date that GTE was to implement the ordering paragraph. Furthermore, GTE has not explained its delay in filing this petition.

Notwithstanding its technical noncompliance with D.89-01-041, we will consider GTEC's request on a discretionary basis, in view of GTE's annual projected costs of maintaining its informational disclosure tariff. GTE substantiates its need for a temporary delay in implementing its informational disclosure tariff with data that shows such a delay will result in both labor efficiency and cost savings. We concur. In view of the cost savings to GTE, it is appropriate to delay the filing of GTE's informational tariff until GTE's manual itemization procedure is converted to a mechanized system in 1990.

GTE also asserts that its due process rights will be violated if it is required to implement Pacific Bell's revised Tariff Rule 2.1.12 which became effective subsequent to D.89-01-041. However, it does not object to implementing Pacific Bell's tariff in effect on the date of D.89-01-041, or January 27, 1989.

Had GTE implemented the ordering paragraph on a timely basis, the dispute as to which Pacific Bell tariff GTE should implement would be moot. A comparison of Pacific Bell's informational disclosure tariff rule in effect on January 27, 1989

and Pacific Bell's current tariff attached to the petition shows that the only revision to the tariff is the applicability of the tariff to all business services.

Pacific Bell's revised informational tariff has not substantially changed. Although the initial tariff was applicable only to single line business services, Note 1 to the tariff requires the tariff provisions to pertain to any business service upon the request of any business customer. The Note also states that the tariff shall pertain to all business services effective April 1, 1989. Pacific Bell's revised tariff merely implemented the note identified in its earlier tariff.

GTE's due process assertion is without merit because GTE does not object to implementing Pacific Bell's informational disclosure tariff in effect at the time GTE's decision was issued and because the revised tariff merely implements a note identified in Pacific Bell's earlier tariff. As required by Ordering Paragraph 2, GTE should implement an informational disclosure tariff "identical" to Pacific Bell's Tariff Rule 2.1.12.

# Findings of Fact

- 1. GTE requests that Ordering Paragraph 2 of D.89-01-041 be stayed.
- 2. GTE will have to prepare customer notices manually at an annual costs of approximately \$1.5 million if a stay is not granted.
- 3. GTE's informational disclosure tariff was to have been filed on or before May 27, 1989.
- 4. GTE's petition is not timely filed because it was filed more than a month after GTE was to implement the ordering paragraph.
  - 5. GTE does not explain the delay in filing this petition.
- 6. A delay in implementing the ordering paragraph will enable GTE to reduce its \$1.5 yearly operating costs by approximately 0.5 million.

- 7. GTE asserts, without any support, that its due process rights will be violated if GTE is required to implement Pacific Bell's current Tariff Rule 2.1.12.
- 8. If GTE implemented the ordering paragraph on a timely basis, as ordered, the due process issue would be moot.
- 9. Pacific Bell's revised Tariff Rule 2.1.12 merely implements Note 1 identified in Pacific Bell's initial Tariff Rule. There is no material difference between the tariffs.

  Conclusions of Law
- 1. Ordering Paragraph 2 of D.89-01-041 should be stayed until GTE converts its manual system to an automated system in the fourth quarter of 1990.
- 2. GTE should be required to file an information disclosure tariff rule identical to Pacific Bell's Tariff Rule 2.1.12.

#### ORDER

IT IS ORDERED that D-89-01-041 ordering paragraphs are modified to read as follows:

1. The complaint in Case 88-02-008 is denied.

2. GTE California Incorporated is ordered to file with the Commission Advisory and Compliance Division Director an informational disclosure tariff rule identical to Pacific Bell's Tariff Rule 2.1.12 at the time it places into service an automated billing system or on December 29, 1989, whichever comes first.

This order is effective today.

Dated \_\_\_\_SEP 2 7 1989 \_\_\_\_, at San Francisco, California.

G. MITCHELL WILK
President
STANLEY W. HULETT
JOHN B. OHANIAN
PATRICIA M. ECKERT
Commissioners

Commissioner Frederick R. Duda, being necessarily absent, did not participate.

COMMISSION DECISION WAS APPROVED DECISION ABOVE

WESLEY FRANKLIN, Acting Executive Director

Decision 89 09 097

SEP 2 7 1989

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**CRIGINAL** 

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