

Decision 89 11 042 NOV 2 2 1989

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Chuck Hedlund, )  
 )  
 Complainant, )  
 )  
 vs. )  
 )  
 Continental Telephone Co. of )  
 California, )  
 )  
 Defendant. )

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**ORIGINAL**

Case 88-08-035  
(Filed August 15, 1988)

INTERIM OPINION

A complaint was filed in this proceeding on August 15, 1988 by Chuck Hedlund (complainant) against Continental Telephone Company (defendant). Complainant is a residential customer of the defendant. The complaint is supported by 25 other customers and 6 prospective customers of the defendant. It alleges, among other things, that calls between the defendant's Lucerne Valley Rate Center and the adjacent Apple Valley and Hesperia exchanges are billed at an excessive rate. Complainant seeks an order directing the defendant to study the feasibility of implementing Zone Usage Measurement (ZUM) between the Lucerne Valley Rate Exchange Area and the Victorville Rate Exchange Area.

For its answer filed on September 22, 1988, defendant proposes to study the feasibility of implementing a ZUM type of service for Lucerne Valley. As the complainant and defendant are in agreement, the defendant should immediately undertake a feasibility study which conforms as much as practical with the Commission's order to study the potential for ZUM service for the defendant's Newberry Springs service area. The feasibility study should be filed in this proceeding no later than January 1, 1990.

Complainant also alleged that the defendant is not in compliance with its Rule 12, section A-1 at its Victorville Office. Defendant denies that allegation. Defendant's Rule 12, "Rates and Optional Rates", Appendix A hereto, provides under section A-1, "Effective rates" that:

...Schedules of rates for exchange service in effect in a particular territory will be kept at all times at a location where they will be available for public inspection. A notice indicating the place where such schedules are available will be posted in conspicuous places in the utility's business offices.

The defendant responds that it is in compliance with its Rule 12, Section A-1 because it maintains a set of its tariffs, including its "rates for exchange service" in its Lucerne Valley business office. In that office, where customers pick a number to be served, defendant has posted a notice which states:

"Copies of schedules concerning rates, rules and regulations as filed with the Public Utilities Commission of the State of California, applicable to telephone service in this territory of our company, are on file in this office and are open to public inspection."

Defendant does not allege that any notice concerning the availability of its schedules is posted in its Victorville office. Defendant has given no reason for observing its Rule 12 requirements at only the Lucerne Valley business office. It does not allege that maintaining its schedule of rates at the Victorville office would pose a hardship for it. On the other hand, the complainant and the 31 others who support the complaint feel that the quality of defendant's telephone service would be improved by providing notice of rates at the Victorville office. We encourage utilities to keep their ratepayers as informed of rates and charges as much as reasonably possible. Defendant's Rule 12 should be amended to provide a copy of its tariff schedules on file with the Commission at each of its business offices.

Defendant admits that it concurs in Pacific Bell's intraLATA toll rates but states that it does not and is not required to maintain a set of Pacific Bell's applicable tariffs in its business offices. The defendant does not specify whether it has posted the intraLATA toll rates applicable to its services, regardless of whether or not they are identical to Pacific Bell's, in its business offices.

While the defendant's Rule 12 requires that rates for exchange service be available for inspection, the defendant represents to the public that rates as filed with the Commission, "applicable to telephone service in this territory of our company" are on file in its business office. The defendant itself makes no distinction between exchange and toll service. Since the defendant provides toll service, its ratepayers are entitled to know what rates are being charged for toll service. The maintenance of a copy of the defendant's toll rates in the business office does not appear to be an unreasonable burden on the company. Its Rule 12 should be amended to make its toll rates available for public inspection in its business offices.

The complainant also seeks publication of toll rates applicable to defendant's service in defendant's telephone directories as Pacific Bell does in its directory. Defendant states that its policy is to have its operators quote intraLATA toll rates when requested by a customer. In our experience, a utility's customers are more satisfied with their service if information about rates is conveniently available to them. The practice of Pacific and other local exchange telephone companies is to list rates applicable to a range of typical intraLATA toll calls in their telephone directories. The complainant's request that defendant provide its ratepayers with similar information does not appear to be burdensome and may improve customer satisfaction. The defendant should advise the Commission why it should not be ordered

to publish such rates in its forthcoming directory by December 1, 1989.

The other issues raised in the complaint will be addressed after the foregoing response and study have been reviewed by the Commission. No evidentiary hearing is set at this time.

Findings of Fact

1. The complainant is a residential customer of the defendant, a local exchange telephone company.
2. The complaint is supported by 25 other residential customers and 6 prospective customers of the defendant.
3. The complaint alleges that toll rates paid by ratepayers in certain portions of the defendant's serving area are excessive. The complaint seeks an order directing the defendant to study the feasibility of implementing ZUM between the Lucerne Valley and the Victorville Rate Exchange Areas of the defendant.
4. In its answer to the complaint, the defendant has proposed to study the feasibility of implementing a ZUM type of service for the Lucerne Valley.
5. Rule 12, section A-1 of the defendant's tariffs requires: "Schedules of rates for exchange service in effect in a particular territory will be kept at all times at a location where they will be available for public inspection. A notice indicating the place where such schedules are available will be posted in conspicuous places in the utility's business offices."
6. The complainant seeks an order directing the defendant to maintain a set of its tariffs at its Victorville business office. Defendant does not deny that its tariffs are not maintained at its Victorville office. Defendant does not assert that a notice indicating the place where a copy of its tariffs may be inspected is posted at its Victorville office.
7. The defendant has posted a notice at its Lucerne Valley business office which states, "Copies of schedules concerning rates, rules and regulations as filed with the Public Utilities

Commission of the State of California, applicable to telephone service in this territory of our company, are on file in this office and are open to public inspection." The notice does not limit the services for which rate schedules are available to exchange services.

8. It is unclear whether the defendant has posted its intraLATA toll rates in its business offices.

9. The maintenance of its authorized schedule of toll rates in its business offices for public inspection would improve customer satisfaction and not constitute an unreasonable burden on the defendant.

10. The complainant seeks an order directing the defendant to publish its intraLATA toll rates in its telephone directory in a manner similar to Pacific Bell's provision of toll rates. The defendant states that toll rates are quoted by operators in response to phone inquiries.

#### Conclusions of Law

1. The complaint concerning the reasonableness of intraLATA toll rates is properly before the Commission.

2. The defendant must comply with the terms of its tariffs, in particular, Rule 12, which requires the defendant to maintain a copy of its schedule of rates for exchange service at a location for public inspection, and requires a notice indicating where such schedules are available to be posted in the utility's business offices.

3. The defendant has not complied with Rule 12 in its Victorville office.

4. Defendant's Rule 12 should be amended to require defendant to provide notice of its rates in each of its business offices and to require notice of rates for intraLATA toll service, particularly when defendant has itself represented that rates for telephone service, in general, are available for public inspection at its business office.

5. It is reasonable for a local exchange telephone company to provide reasonable notice of applicable rates in its telephone directory.

INTERIM ORDER

IT IS ORDERED that:

1. Defendant shall study the feasibility of providing ZUM service to customers of the Victorville exchange. This study should conform as much as practical with the Commission's order to study the potential for ZUM service for the defendant's Newberry Springs service area. On or before January 1, 1990, defendant shall file an original and 12 copies of this feasibility study with the Commission's Docket Office in San Francisco. It shall enclose a letter of transmittal stating the proceeding and decision number. It shall also attach a certificate of service to the transmittal letter showing service of the document by mail upon all parties to this proceeding.

2. Within 15 days of the effective date of this order, the defendant shall file an advice letter by which it proposes to amend its Rule 12, so that the second sentence of Rule 12, section A-1 will state: "Schedules of rates for service in effect in a particular territory will be kept at all times at the utility's business offices where they will be available for public inspection."

3. Defendant is required to maintain a copy of its tariff schedules on file with the Commission at its Victorville office. Defendant shall maintain tariffs setting forth the applicable rates for intraLATA toll service available to customers in Contel's Victorville and Lucerne Valley Exchanges in both the Victorville and Lucerne Valley business offices.

4. Defendant shall advise the Commission why it should not be ordered to publish a representative sample of its intraLATA toll rates as published by Pacific Bell in its forthcoming directory. The original and 12 copies of defendant's response to this interim order shall be filed with the Commission's Docket Office in San Francisco no later than December 1, 1989. Applicant shall enclose a letter of transmittal stating the proceeding and decision number. It shall also attach a certificate of service to the transmittal letter showing service of the document by mail upon all parties to this proceeding.

This order is effective today.

Dated NOV 22 1989, at San Francisco, California.

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

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

- 7 -

*Wesley Franklin*  
WESLEY FRANKLIN, Acting Executive Director  
*W*

RULE NO. 12

(L)

RATES AND OPTIONAL RATES

A1 Effective rates

The rates to be charged by and paid to the utility for telephone service will be the rates legally in effect and on file with the Public Utilities Commission of the State of California. Schedules of rates for exchange service in effect in a particular territory will be kept at all times at a location where they will be available for public inspection. A notice indicating the place where such schedules are available will be posted in conspicuous places in the utility's business offices.

A2 Optional rates

Where two or more rate schedules are applicable to any class of service, each will be called to an applicant's attention and he will designate the schedule under which he then desires service.

A3 New rates

When new schedules of rates are established, the utility will use such means as may be practicable to bring them to the attention of those of its customers who may be affected thereby.

A4 Change of schedule by customer

When a customer applies for service under a schedule different from that applicable to his present service, the rates for the new service will be applied on the effective date of the change.

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(L) Material formerly shown on Original Sheet No. 42-T.  
Material omitted now shown on 2nd Revised Sheet No. 64-T.

Advice Letter No. 785

Decision No. \_\_\_\_\_

ISSUED BY  
James F. Miles  
PRESIDENT

Date Filed MAY 04 1987

Effective JUN 14 1987

Resolution No. \_\_\_\_\_