

Decision 89 11 064 NOV 22 1989

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of General Telephone)
Company of California, a California)
corporation (U-1002-C), for authority)
to increase and/or restructure certain)
intrastate rates and charges for)
telephone service.)

Application 83-07-02
(Filed July 1, 1983)

And Related Matters.)

OII 83-08-02
(Filed August 3, 1983)

Case 82-10-08
(Filed October 28, 1982)

OPINION MODIFYING DECISION 84-07-108

On May 17, 1989 GTE California Incorporated (GTEC), formerly General Telephone Company of California, filed a petition for modification of Decision (D.) 84-07-108. GTEC requests authority to conduct a pilot program for its banking industry customers.

Pursuant to Ordering Paragraph 10 of D.84-07-108 GTEC established a separate subsidiary, GTEL, to market, install, and maintain all unregulated customer premise equipment. Since the establishment of GTEL, approximately five years ago, GTEC and GTEL have been required to offer their respective telecommunications services independent of each other. By D.86-08-056, Ordering Paragraph 10 was modified to allow GTEL personnel to sell GTEC's custom calling network services at GTEL phone marts.

Recently, GTEC conducted a business customer opinion survey to determine customer reactions and attitudes to the separation of telecommunications operations identified above. According to GTEC, its business customers were generally confused as to which company should be contacted for a particular

telecommunications problem or service, and prefer to have one single contact point for network and customer premise equipment. To alleviate customer confusion and to increase customer satisfaction with an appropriate mix of network solutions and customer premise equipment solutions, GTEC proposes, on a trial basis, to combine all of its network sales activity (regulated service offerings) with GTEL's customer premise sales activity (non-regulated service and equipment offerings).

This trial period, to expire on December 31, 1990, will encompass GTEC's 44 largest bank business customers. If positive results are derived from this program, GTEC proposes to implement the program for all of its "GTE 1" and major business accounts.

As part of this pilot program, GTEC will implement the Federal Communications Commission (FCC) affiliate transaction rules identified in FCC Docket 86-111 for intercompany affiliate billing purposes and the GTE cost allocation manual for the separation of costs between regulated and non-regulated activities.

On June 16, 1989, the Commission Division of Ratepayer Advocates (DRA) filed a protest to GTEC's petition. DRA opposes GTEC's program until questionable practices and activities it raised in a separate GTEC petition¹ are addressed. An evidentiary hearing on this separate petition was held on June 19, 1989 and a decision is scheduled to be issued subsequent to the receipt of August 16, 1989 reply briefs. ✓

DRA believes that approval of GTEC's pilot program will provide GTEC opportunities to be confused with GTEL, and to subsidize GTEL's operations. Further, DRA believes that GTEC's

1 GTEC's February 17, 1989 petition requests authority to allow GTEL to accept customer orders, advance payments, security deposits, and to distribute GTEC telephone directories at GTEL's phone marts.

oversight of the pilot program will not alleviate DRA's concerns of a potential subsidy to unregulated operations and market abuse.

In response to DRA's opposition, GTEC denies that it will subsidize affiliated operations and denies that it will engage in marketing abuses with GTEL. Although DRA asserts that the pilot program provides the "potential" for such activities, GTEC states that DRA provides no facts to substantiate its claims that these events will occur. In summary, GTEC asserts that the pilot program is in the public interest, addresses identified customer needs and preferences, and that DRA can monitor the program results and suggest changes where appropriate.

We concur with GTEC. DRA's opposition to the pilot program is based on issues it raised in a separate GTEC petition concerning regulated operations at GTEC's phone marts. These issues are being addressed in a separate opinion. GTEC should be given an opportunity to demonstrate that the program is in the public interest and that it will not subsidize unregulated operations or engage in market abuse. However, controls and reporting requirements should be required to prevent any subsidization of unregulated operations and market abuse. These controls are discussed in the following paragraphs. Appendix A shows D.84-07-108 Ordering Paragraphs revised to incorporate modifications, including the pilot program, granted by this Commission.

Approval of the petition is for the pilot program only and telecommunications service should not be conditioned upon obtaining GTEL product equipment. If, after the pilot program, GTEC wants to implement this program for all of its "GTE 1" and major accounts' customers it should be required to file a new application requesting authorization to implement the program and to demonstrate that the program is in the public interest, cost effective, and does not subsidize unregulated operations or result in market abuse.

GTEC should provide quarterly reports to the Commission Advisory and Compliance Division Director and DRA. The quarterly reports should include changes in network activity by customer account, changes in customer premise activity by customer account subdivided by GTEL product equipment and non-GTEL product equipment changes, cost incurred by primary activity, estimated cost benefit by primary activity, and customer complaints.

Findings of Fact

1. GTEC's business customer opinion survey found that GTEC's business customers are confused as to which company should be contacted for a particular telecommunications problem or service, and that they prefer to have a single contact point for network and customer premise equipment.

2. GTEC proposes to combine its network sales activity with GTEL's customer premise sales activity on a trial basis.

3. GTEC's trial period will end on December 31, 1990.

4. GTEC proposes to implement the program to all of its GTE 1 customers and major business customers if the trial period shows positive results.

5. GTEC will implement the FCC affiliate transaction rules for intercompany affiliate billing and the GTE cost allocation manual for the separation of costs between regulated and non-regulated activities.

6. DRA opposes the trial program until its concern of questionable practices and activities raised in a related petition are addressed.

7. DRA's concerns will be addressed in a separate opinion dealing with GTEC's related petition; for purposes of the trial program, GTEC should be allowed to proceed subject to the controls specified in this order.

Conclusion of Law

GTEC should be authorized to conduct a pilot sales program for its bank business customers.

ORDER

IT IS ORDERED that:

1. GTE California, Incorporated (GTEC) is authorized to implement a pilot program for its banking industry customers, which combines its network sales activities with its affiliate's, GTEL, customer premise sales activities. Telecommunications service shall not be conditioned upon customers subscribing to GTEL customer premise equipment.

2. GTEC shall provide quarterly reports to the Commission Advisory and Compliance Division Director and the Commission Division of Ratepayer Advocates' Division Director on a quarterly basis with the data identified in this opinion. The first report shall cover the period from the date the program starts to December 31, 1989, and shall be provided to the respective Division Directors within twenty days from December 31, 1989.

3. As part of the pilot program authorized herein, GTEC shall implement the Federal Communications Commission (FCC) affiliate transaction rules identified in FCC Docket 86-111 for intercompany affiliate billing purposes and the GTE cost allocation manual for the separation of costs between regulated and non-regulated activities.

4. Ordering Paragraph 10 of Decision (D.) 84-07-108 shall be modified, as shown in Appendix A, to include an Ordering Paragraph 10c as follows:

10.c. GTEC is authorized to conduct a pilot program, beginning October 1, 1989, whereby it may combine its network sales activity with GTEL's customer premise sales activity for GTEC's 44 largest banking industry customers. The pilot program shall end on December 31, 1990. If GTEC wants to implement this program, it shall, after the pilot program ends, file an application requesting such authorization and demonstrating that the program is in the public interest, cost

effective, and does not subsidize non-regulated operations or result in market abuse.

5. Approval of this pilot program is not a finding that program costs are reasonable or prudent. ✓

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.

- 6 -

Wesley Franklin

WESLEY FRANKLIN, Acting Executive Director

OB

APPENDIX A
Page 1

DECISION 84-07-108 ORDERING PARAGRAPHS
REVISED PURSUANT TO D.86-08-056 AND D.89-11-064

IT IS ORDERED that:

1. This order is final with respect to the General Telephone Company of California's (General) test year 1984 revenue requirement. While consolidated C.82-10-08 is closed by this order, A.83-07-02 and OII 83-08-02 remain open to consider: General's 1985 attrition filing, staff's recommendations on means of reducing uncollectibles, and any prospective rate adjustments in the event General's access charges for interLATA carriers are adjusted as a result of further orders in A.83-01-22 et al. (access charge proceedings).

2. The relief requested in C.82-10-08 is granted to the extent reflected in today's adopted rates; in all other respects it is denied.

3. General shall continue to be subject to Ordering Paragraphs 7, 8, and 9 or D.82-04-028. However, those paragraphs 7 and 9 are modified to read as follows:

7. After today General shall collect data on customer trouble reports per 100 lines and dial service indices on a central-office-by-central-office basis for the following central offices: Baldwin Park, Azuza, Sierra Madre, Coachella, La Puente, Elsinore Main, Ferris, Sun City, Claremont, Los Serranos, Pomona, Banning, Muscoy, San Bernardino, Sepulveda, Malibu, Zuma, Del Rey, Mar Vista, Ocean Park, Sunset, San Fernando, Santa Barbara, Bundy Santa Monica, Palisades, Santa Monica, Bel Air, Bundy, University, West Los Angeles, Westwood, Norwalk, Laguna Beach, Market, Uptown, California, Long Beach Main, El Nido, Manhattan, Redondo, Whittier South, Blossom Hill, Montebello, Mountain.

APPENDIX A
Page 2

9. A surcredit of \$3.80 a line shall be imposed for each line in a central office where in two of three consecutive months the customer trouble reports per 100 lines are at least 10.0 and in two of the three months including utility-owned terminal equipment reports (not necessarily the same two months) the dial service index is less than 97.0%. General may petition the Commission staff to be relieved of the penalty in D.82-04-028, on a central office basis when measurements for both indices are within GO 133 reporting level for at least 6 consecutive months.

4. General may discontinue submitting to the Commission the quarterly reports required by Ordering Paragraph 3 of D.92366, which consisted of 17 indices.

5. General's customers served by the following central offices shall be refunded, by billing credit or check, 65.2% of the applicable 21.3% surcharge on their recurring basic exchange charges between January 1, 1984 and the date the new rates authorized today are effective: Malibu, Zuma, Topanga, Ocean Park, Muscoy, Perris, and Los Alamos. These refunds shall be made within 90 days. Customers in the Kenwood exchange shall receive the same refund, and they shall not be subject to any increases in recurring rates, as authorized by this order, until 12 months from the date the revised rates authorized by this order for all other customers become effective.

6. General's Rule 10 shall be modified to provide that if a customer shows a billing postmark that is later than the bill's printed mailing date, that postmark date is controlling in determining whether the late payment charge applies. Other than that change, General's proposed 18% annum late payment charge is authorized.

APPENDIX A
Page 3

7. General's competitive bidding plan for central office switching equipment, adopted by Resolution T-10642, is modified as follows: (a) General is authorized to limit the receipt of competitive bids for central office switching equipment (COSE) to three vendors once it has purchased switches of a given technological level or family from three different vendors; and (b) a single test unit of COSE representing new technology may be purchased without seeking competitive bids.

Within six months from today General shall submit the following information to aid our staff in its investigation of COSE expenditures:

- a. Copies of the cost studies or justification that existed prior to General's selecting No.2 EAX COSE.
- b. Copies of all cost studies or other economic justification for colocating new digital COSE next to No. 2 EAX switches.
- c. Quantification of the full incremental capitalized costs caused by colocated COSE, broken down by each central office location.

8. General shall, within 90 days, make the following changes in its books and account, either directly or through the use of memoranda accounts (and staff shall follow up to ensure compliance):

- a. IDC on short-term construction projects, now in memoranda accounts, shall be retired at approximately the same rate the plant itself is retired.
- b. Uninvoiced receipts more than one year old shall be excluded from materials and supplies (both for bookkeeping and ratemaking).

APPENDIX A
Page 4

- c. Work orders in the in-progress of fabrication account that are over one year old shall be written off to extraordinary income charges (both for bookkeeping and ratemaking).
- d. General shall process its payments to affiliated vendors in the same manner as those to nonaffiliated vendors, and institute a common purchase order verification system.
- e. Premium refunds from General's medical insurance carriers shall be charged as a credit to the relief and pensions account; however, any portion of such refunds that can clearly be assigned to unregulated operations may be credited below the line.
- f. General shall, on an ongoing basis, assign a portion of general office salaries of "managers and above" to construction.
- g. General shall reclassify all embedded and new company official business telecommunications equipment to new Account 262. Its request to reclassify this equipment to other accounts and write off company-used station apparatus over five years is denied.
- h. General shall cease accruing IDC on advances in aid of construction, and on an ongoing basis reduce its plant account by the balance in the advances account.
- i. All plant additions related to the 1984 Olympics shall be reclassified from plant in service to the miscellaneous physical property account after the 1984 Olympics until definite plans are developed for their use.

APPENDIX A
Page 5

When proposing depreciation lives for company-used communications equipment in Account 262, General shall submit a separate study which recognizes the specialized and lighter use this equipment receives, and which includes a detailed analysis on whether as an alternative to purchasing new PBXs it could have used vacant centrex capacity.

9. General and all other telephone utilities are authorized to expense minor items, going back to January 1, 1983, having a total cost of \$200 or less.

10.² Within six months from today General shall form a separate corporate subsidiary for marketing, installing, and maintaining all unregulated customer premises equipment (CPE), and within one year it shall have fully segregated its facilities and resources between the unregulated subsidiary and regulated operations. The only resources that can be shared between regulated operations and the unregulated subsidiary are:

- a. Corporate officers and directors; including their immediate support personnel and headquarters.
- b. Legal services and accounting services; provided, however, that accounting services may be provided for a maximum of two years.
- c. Customer billing for integrated unregulated CPE billing along with network services. Billing expense shall be billed to its unregulated subsidiary, GTEL, on a contract basis with such charges reflecting General's fully allocated costs.

2 Revised in accordance with D.86-08-056 and D.89-11-064.

APPENDIX A
Page 6

- d. Phone mart direct expense shall be directly charged to the unregulated subsidiary. ✓

10.a. After January 1, 1988, GTEL personnel may continue to sell General's custom calling network services at its Phone Mart locations and through its Direct Marketing Distribution channels on a per transaction charge basis.

10.b. General is to provide and maintain both the network services and unregulated CPE associated with E911 emergency services. General is to track all expenses, investment, and revenues associated with E911 CPE on a "below-the-line" basis.

10.c. GTEC is authorized to conduct a pilot program, beginning October 1, 1989, whereby it may combine its network sales activity with GTEL's customer premise sales activity for GTEC's 44 largest banking industry customers. The pilot program shall end on December 31, 1990. If GTEC wants to implement or expand this program, it shall demonstrate at the end of the pilot program that the program is in the public interest, cost effective, and does not subsidize nonregulated operations or result in market abuse.

11. Within 30 days from today General shall file tariffs governing its sale of in-place and from inventory embedded CPE as proposed in Exhibit 119, and implement the program on the timetable and with the terms as proposed, but with the following modifications:

- a. The average net book value for the CPE shall be computed using the average 1984 remaining regulatory net book value.
- b. The 43% return on sales or profit mark-up on "from-inventory" multiline CPE shall be reduced to 25%.
- c. For purchases in excess of \$1,000, General shall offer an optional six-month

APPENDIX A
Page 7

installment plan, with simple interest of 10% per annum.

12. The sales price for newer electronic PBXs (GTD-120, Rolm and Focus) shall be either the tariffed sales price or the optional purchase price according to the existing contract, whichever is lowest.

13. During June of both 1985 and 1986 General shall file revised tariffs with prices for both single and multiline CPE which reflect the incremental change from using average 1985 and 1986 net book value, respectively, for those years. No other sales price components shall be adjusted. Within 60 days from today General shall start separately itemizing on residential bills the recurring monthly charges for leased CPE.

14. General shall revise its tariffs to reflect revised sales prices for single-line CPE within 30 days, recalculating net book value based on 1984 average net book value.

15. General shall retain its complete workpapers underlying the development of all embedded CPE sales prices, as directed by this order, for five years, and the workpapers shall be available for inspection by the public.

16. In June of both 1985 and 1986 General shall file a report with the Commission Advisory and Compliance Division detailing the results of its embedded single and multiline CPE sales programs, including the types and quantities sold, the present "take," and the net gain or loss.

17. Within 90 days General shall make a compliance filing with the Docket Office, and give notice of the filing to all appearances showing the results of embedded multiline CPE sales price adjustments to customers who bought such CPE under

APPENDIX A
Page 8

negotiation after December 22, 1983 (see Ordering Paragraph 1 of interim D.83-12-067).

18. Within 120 days General shall include a bill insert notice to all residential customers advising them of the terms for purchasing embedded single-line CPE and the revised 1984 prices. This notice shall also clearly explain that starting in 1986 dial sets, in most localities, can be used to obtain equal access among competing long distance carriers.

19. General is authorized to implement a local directory assistance charge plan with the free call allowance and charges adopted for Pacific Bell. The adopted conditions for General's proposed Schedule D-3 shall be applicable, and customers shall be allowed to receive up to three numbers per local directory assistance call. General's tariffs shall provide that customers may, upon request, receive one copy of any additional local calling area directories. The additional copies may be either picked up or mailed, at the customer's election. General shall clarify the information printed in its directories to reflect that additional local calling area directories area available at no charge. This change shall be made over the forthcoming directory publishing cycle starting 90 days from today.

20. For the sole purpose of gathering critical information and conducting essential consumer impact studies regarding measured service, General shall study the potential impact of the three hypothetical USS rate structures as outlined in today's decision. It shall work with our staff in devising the hypothetical rates to ensure they are realistic and result in no overall revenue shift or change within the study areas. General's study shall be filed with our staff by the end of 1986, and made available to any party requesting it. Specifically, the study shall address:

APPENDIX A
Page 9

- a. The rate impact on residential customers broken down by low, moderate, and upper income, as well as by age and size of household.
- b. How USS could be structured to provide low and moderate income families with effective options for reducing their telephone costs consistent with their usage needs.

21. Limited hearings shall be held in connection with the attrition filings for both 1985 and 1986. General shall make an advice letter filing no later than October 1 in both 1984 and 1985, to be served on all appearances, for rate adjustments based on the attrition mechanism in Appendix A, but with the following modifications:

- a. In accordance with the filing made for 1985, General, staff, and other parties may submit proposals on methodologies for deriving the following: (1) changes in materials, rents, and services, (2) changes in rate base, (3) changes in the normalized revenues. The adopted methodologies shall be used for the 1986 filing.
- b. The annual changes in revenues shall be adjusted for: (1) quantifiable changes directly attributable to CPE revenues, (2) local directory assistance call charging, (3) intraLATA toll revenue, (4) access charge revenue from interLATA carriers, (5) net revenues from extending ZUM, and (6) net revenue change from 1 FR customers converting to MLS lifeline.
- c. The annual traffic expense savings from directory assistance call repression shall be applied.
- d. Adopted changes to the assessment ratios used to derive ad valorem tax shall be applied.

APPENDIX A
Page 10

- e. General may propose only technical updating in connection with 1985's depreciation expense, and for 1986 it may propose only changes adopted in prescription review.
- f. General's authorized return on rate base for 1986 may be adjusted, based on today's adopted cost components, if it demonstrates it will achieve a higher equity ratio (up to 47.4% in 1986; all cost factors will be held constant.
- g. If General, in connection with each attrition filing, does not clearly demonstrate compliance with our order to form a separate corporate subsidiary for marketing unregulated CPE its revenue requirement will be adjusted downward by: assigning all costs connected with phone marts to unregulated operations, and reducing the authorized return on equity by .5%.
- h. The prudence of General's COSE expenditures in connection with both No. 2 EAX and GTD-5 COSE shall be reviewed and addressed by staff in hearings on General's filing for 1986.

General shall submit a draft of its proposed advice letter to the Division of Ratepayer Advocates by September 1 of each year. The filed advice letter shall be accompanied by prepared testimony, and it shall clearly set out how results of operations components were derived consistent with this order. It shall be accompanied by a surcharge rate design consistent with the criteria adopted in today's decision. General shall serve a copy of the advice letters and prepared testimony on all appearances in these proceedings, and copies of its workpapers shall be furnished to parties requesting

APPENDIX A
Page 11

them. The limited hearings on General's 1985 attrition filing will be held in conjunction with those on Pacific Bell's.

22. General shall keep at least two loaner TDDs in each phone mart and convenience center to loan to customers whose TDDs must be kept for repair.

23. Before January 1, 1985, General shall file a report with this Commission stating its Female/Minority Business Enterprise goals for calendar years 1985 and 1986. Commencing in 1985, on March 1 and October 1 of each year, General shall file a report on the progress made by its F/MBE program. The March 1 report shall cover program activity from July 1 through December 31 of the previous year and the October 1 report shall cover activity from January 1 through June 30. The semiannual reports shall present F/MBE data according to the ethnic classifications used by agencies of the State of California and by contract categories in which \$2 million of business or more was done in the prior year. General shall meet and confer with minority group representatives in preparing their goals and reporting procedures.

24. General may file revised tariffs, in compliance with General Order 96-A, not sooner than 15 days after this order is effective, which: (a) fully contain the rates and conditions set out in Appendix B, and (b) concurrently eliminates the existing 21.3 and 13% surcharges. The revised rates shall become effective five days after filing and shall only apply to service provided on or after their effective date. General's tariffed sales prices for multi- and single-line CPE shall be effective five days after filing.

25. General's revised rates for local coin station calls, contained in General's Advice Letter No. 4886, are effective today.

APPENDIX A
Page 12

26. Pacific Bell shall file revised tariffs, in compliance with General Order 96-A, to increase its negative surcharge on local exchange service rates to a negative 1.12%. It shall file its revised tariffs within 10 days after this order is effective, and they shall apply to all service rendered on or after the date General's revised rates are effective.

27. A.83-07-02 and OII 83-08-02 remain open. Consolidated C.82-10-08 is closed, with relief granted to the extent reflected in today's authorized rates.

(END OF APPENDIX A)

telecommunications problem or service, and prefer to have one single contact point for network and customer premise equipment. To alleviate customer confusion and to increase customer satisfaction with an appropriate mix of network solutions and customer premise equipment solutions, GTEC proposes, on a trial basis, to combine all of its network sales activity (regulated service offerings) with GTEL's customer premise sales activity (non-regulated service and equipment offerings).

This trial period, to expire on December 31, 1990, will encompass GTEC's 44 largest bank business customers. If positive results are derived from this program, GTEC proposes to implement the program for all of its "GTE 1" and major business accounts.

As part of this pilot program, GTEC will implement the Federal Communications Commission (FCC) affiliate transaction rules identified in FCC Docket 86-111 for intercompany affiliate billing purposes and the GTE cost allocation manual for the separation of costs between regulated and non-regulated activities.

On June 16, 1989, the Commission Division of Ratepayer Advocates (DRA) filed a protest to GTEC's petition. DRA opposes GTEC's program until questionable practices and activities it raised in a separate GTEC petition¹ are addressed. An evidentiary hearing on this separate petition was held on June 19, 1989 and a decision is scheduled to be issued subsequent to the receipt of August 16, 1989 reply briefs.

DRA believes that approval of GTEC's pilot program will provide GTEC opportunities to be confused with GTEL, and to subsidize GTEL's operations. Further, DRA believes that GTEC's

¹ GTEC's February 17, 1989 petition requests authority to allow GTEL to accept customer orders, advance payments, security deposits, and to distribute GTEC telephone directories at GTEL's phone marts.

effective, and does not subsidize non-regulated operations or result in market abuse.

5. Approval of this pilot program is not a finding that program costs are reasonable or prudent. The reasonableness and prudence of such cost is generally determined in general rate proceedings.

This order is effective today.

Dated _____, at San Francisco, California.

APPENDIX A
Page 5

When proposing depreciation lives for company-used communications equipment in Account 262, General shall submit a separate study which recognizes the specialized and lighter use this equipment receives, and which includes a detailed analysis on whether as an alternative to purchasing new PBXs it could have used vacant centrex capacity.

9. General and all other telephone utilities are authorized to expense minor items, going back to January 1, 1983, having a total cost of \$200 or less.

10.¹ Within six months from today General shall form a separate corporate subsidiary for marketing, installing, and maintaining all unregulated customer premises equipment (CPE), and within one year it shall have fully segregated its facilities and resources between the unregulated subsidiary and regulated operations. The only resources that can be shared between regulated operations and the unregulated subsidiary are:

- a. Corporate officers and directors; including their immediate support personnel and headquarters.
- b. Legal services and accounting services; provided, however, that accounting services may be provided for a maximum of two years.
- c. Customer billing for integrated unregulated CPE billing along with network services. Billing expense shall be billed to its unregulated subsidiary, GTEL, on a contract basis with such charges reflecting General's fully allocated costs.

1 Revised in accordance with D.86-08-056 and D. 89 11 064

APPENDIX A
Page 1

DECISION 84-07-108 ORDERING PARAGRAPHS
REVISED PURSUANT TO D.86-08-056 AND D. 89 11 064

IT IS ORDERED that:

1. This order is final with respect to the General Telephone Company of California's (General) test year 1984 revenue requirement. While consolidated C.82-10-08 is closed by this order, A.83-07-02 and OII 83-08-02 remain open to consider: General's 1985 attrition filing, staff's recommendations on means of reducing uncollectibles, and any prospective rate adjustments in the event General's access charges for interLATA carriers are adjusted as a result of further orders in A.83-01-22 et al. (access charge proceedings).
2. The relief requested in C.82-10-08 is granted to the extent reflected in today's adopted rates; in all other respects it is denied.
3. General shall continue to be subject to Ordering Paragraphs 7, 8, and 9 or D.82-04-028. However, those paragraphs 7 and 9 are modified to read as follows:
 7. After today General shall collect data on customer trouble reports per 100 lines and dial service indices on a central-office-by-central-office basis for the following central offices: Baldwin Park, Azusa, Sierra Madre, Coachella, La Puente, Elsinore Main, Ferris, Sun City, Claremont, Los Serranos, Pomona, Banning, Muscoy, San Bernardino, Sepulveda, Malibu, Zuma, Del Rey, Mar Vista, Ocean Park, Sunset, San Fernando, Santa Barbara, Bundy Santa Monica, Palisades, Santa Monica, Bel Air, Bundy, University, West Los Angeles, Westwood, Norwalk, Laguna Beach, Market, Uptown, California, Long Beach Main, El Nido, Manhattan, Redondo, Whittier South, Blossom Hill, Montebello, Mountain.