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Decision 90-11-063 November 21, 1990

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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

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

FINAL OPINION

Background

Chuck Hedlund, a ratepayer, filed this complaint against Continental Telephone Company of California (Contel) in which he asked that Contel be ordered to study the feasibility of converting the toll routes between the Lucerne Valley Rate Center and the Apple Valley and Hesperia exchanges to Zone Usage Measurement (ZUM) routes. Hedlund also sought to compel Contel to maintain a copy of its intraLATA toll rates in each of its business offices and to explain those rates in its telephone directory.

Interim Opinion

By Interim Opinion dated November 22, 1989, Decision (D.) 89-11-042, we granted Hedlund's requests. Contel's counsel has represented that Contel would maintain the required tariffs in Contel's main headquarters in Victorville and that Contel would include representative toll rates in its forthcoming telephone directories as ordered. On January 31, 1990, Contel submitted its "ZUM Feasibility Study - Victorville" in compliance with the interim order. After consultation with the assigned administrative law judge, Contel submitted a comprehensive proposal for the implementation of ZUM in the Newberry Springs/Barstow area as well as in the Victorville area. Contel refers to this proposal as the "Victor Valley ZUM Proposal" (ZUM Proposal). The ZUM Proposal was

filed with the Commission on March 22, 1990 and was served on all parties to this proceeding as well as to the parties in Case (C.) 87-06-003.

Complaint by Newberry for reduced Toll Rates

C.87-06-003 was brought by the Newberry Community Services District and the Newberry Springs Citizen Committee (Newberry) against Contel for its refusal to grant toll free calling from the Newberry Springs exchange to the remainder of the exchange prefixes in the Barstow area. The resultant decision, D.88-06-047, required Contel to provide the Commission Advisory and Compliance Division with a schedule by which Contel could install ZUM service between the Barstow, Yermo, Newberry Springs, South Barstow, and Lenwood exchanges. Contel was ordered to enlarge its community call bonus service, known as Optional Residential Telephone Service (ORTS), then available to Newberry Springs residents, to include the Barstow and Yermo exchanges until ZUM was implemented for these exchanges.

In its ZUM Proposal, Contel explained that ZUM pricing could be implemented for the Newberry Springs exchange as a result of its proposed division of the Victorville exchange into four District Areas (DA). Thus, according to Contel, its ZUM Proposal would satisfy the Commission's desire to consider the feasibility of providing ZUM in both the Victorville and Newberry Springs areas.

Contel's Victor Valley ZUM Proposal

Contel's ZUM Proposal would convert calling between the current Victorville exchange and contiguous exchanges from toll routes to ZUM-rated routes. Also, certain calls between the Barstow exchange and its contiguous exchanges (including Newberry) would be changed from toll routes to ZUM routes.

Contel strongly believes that implementation of ZUM in the Victor Valley area is important to improving customer perception of service. At this time, Contel will absorb any negative revenue impact through the course of its normal operations.

Contel has indicated to Division of Ratepayer Advocates (DRA) that the company would reflect the implementation of its ZUM plan in its filings in the forthcoming expansion of the local calling area (ELCA) proceeding in the Commission's Investigation into Alternative Regulatory Frameworks for Local Exchange Carriers (I.87-09-033). The ZUM Proposal would create ZUM routes where only toll routes currently exist. Contel intends to expand the local calling area to incorporate these new ZUM Zone 2 routes consistent with the Commission's D.89-10-031, as modified by D.90-04-031. In other words, a five-minute call over routes which are currently rated at toll band 9-12 miles now costs 45 cents. Under the ZUM Proposal, that call would be rated under ZUM Zone 2 rates and cost 12 cents. When the local calling area is expanded pursuant to D.89-10-031 and D.90-04-031, that call would become a "local" or free call.

Contel is proposing to reconfigure its present Victorville exchange into four DAs. They are the Victorville-Silver Lakes DA, Adelantó DA, Apple Valley DA, and Hesperia DA. In addition, Contel is proposing to reconfigure its present Barstow exchange into the Barstow DA and Yermo DA. ZUM service would be implemented on 14 toll routes in the Victor Valley area. The proposed ZUM routes are all two-way intracompany routes.

The DAs are to be used only for rating ZUM calls. The creation of the DAs will have no impact on local service rates, private line rates, or toll rates. No route over which calls are currently free calling will be converted to a ZUM route. Since ORTS was implemented as an interim solution for Lucerne Valley and Newberry Springs until an alternative could be studied, those

customers who currently subscribe to ORTS will not be required to convert to ZUM service. Their service will be grandfathered until the ORTS service is cancelled. Contel will continue its practice of not charging customers for the cancellation of ORTS service. The present ORTS, "Call Bonus Wide Area Plans" and "Business Optional Calling Plans", which offer discounted calling from communities that are not served by the routes being converted to ZUM rates, will continue to be available to all of Contel's customers. ORTS will not be offered over the proposed ZUM Zone 2 and 3 routes; the applicable ZUM Zone 2 and 3 rates will apply to calls over those routes.

Private line services will not be affected by this ZUM offering. The ZUM DAs will not affect the measurement of private line mileages or private line rates. Contel does not concur with Pacific's private line tariff in regards to intraexchange private line services.

The reduction in rates from toll to ZUM for the 14 affected routes will reduce Contel's revenues. Applying ZUM rates and an elasticity of demand factor to existing toll revenue, Contel calculates an annual forecasted ZUM revenue of \$111,065. Compared to the annual revenue requirement of \$357,506, Contel arrives at an annual revenue difference of \$246,441. This represents a loss in revenues to Contel, which the utility will absorb through the course of its normal operations.

Contel estimated that increased demand resulting from ZUM rates would require the company to expand its trunking capacity with 11 DS-1 high capacity circuits of 24 channels each. The annual revenue requirement of this equipment is estimated at \$18,971. This amount has been included in the annual revenue requirement of \$356,506, which Contel will not seek to recover in rates at this time.

Contel has listed the calling routes to which the ZUM pricing structure should apply. These routes are shown in the tariff revisions attached to this decision as Appendix A.

Comments on Contel's ZUM Proposal

Chuck Hedlund, Complainant

The complainant, Hedlund, filed comments on the ZUM Proposal on May 25, 1990. He noted that Contel had based its proposal on Pacific's ZUM mileage bands and rates. He believes that a more liberal zone mileage range should be considered and that since Contel's basic exchange rate differs from that of Pacific, it is inappropriate to use Pacific's tariffs for ZUM purposes. Hedlund indicates that present basic monthly rates were established by Contel's rate case Application 83-15-57. He believes that since the population in the area has increased since 1983, Contel's costs of operations should now be spread over a greater number of consumers and presumably, monthly rates per customer should be reduced. Finally, he claims that 70% of the population in Lucerne Valley does not have telephone service. He asks the Commission to order a rate case to determine why Contel's rates are so costly and suggests that implementation of measured rate service would be one method to make telephone service more affordable.

Division of Ratepayer Advocates

On April 26, 1990, the DRA filed comments recommending the adoption of Contel's ZUM Proposal. The DRA supported Contel's proposal to rate all toll traffic from the existing exchange rate centers because this eliminates the need for Contel and other interconnecting local exchange companies to restructure their billing and toll traffic arrangements. DRA does not oppose Contel's plan to use Contel's proposed DA wire centers as rate centers in rating only calls under the ZUM tariff. DRA points out that Pacific's arrangement differs; Pacific generally uses its DA

rate centers for rating all calls within a 40 mile radius to and from that DA.

DRA disagrees with Contel's estimates of the billing effects of its ZUM Proposal, particularly Contel's elasticity of demand figure and base traffic volumes. However, since Contel is not requesting recovery of the revenue requirement effects of the ZUM Proposal, DRA believes that these issues need not be resolved at this time. DRA would conduct a detailed study of the revenue effects of the ZUM plan in a future Contel general rate case proceeding.

DRA proposed that the ZUM Zone 2 routes in the Victor Valley ZUM plan should be converted to local calling routes in order to be consistent with the Commission's decision to expand the local calling area to 12 miles in I.87-09-033. Contel concurs in DRA's proposal and would convert ZUM Zone 2 routes to local calling on the ELCA implementation date. DRA states that it will conduct a detailed study of the revenue effects of converting the ZUM zone routes in the ZUM Proposal to local routes when it reviews Contel's filings for the ELCA proceeding.

DRA points out that the existing intraexchange private line and private line-like services in the Barstow and Victorville exchanges will become interdistrict private line and private line-like services as a result of the reconfigurations of the Barstow and Victorville exchanges into DAs. Contel proposes and DRA concurs that Contel's tariff rates and charges for the intraexchange private line and private line-like services will apply to the interdistrict private line and private line-like services in these exchanges after the proposed ZUM implementation. This will prevent any increase in rates paid by customers who subscribe to intraexchange private line services in the Victorville and Barsow exchanges.

DRA recommended that its revisions to Contel's tariff schedules be adopted and that Contel be required to file its revised tariffs and maps within 90 days of a decision approving the ZUM Proposal. DRA asks that Contel be required to notify all of its customers affected by its proposed plan before and after Commission action on the matter as well as during Contel's next billing cycle following the effective date of implementation of the ZUM plan.

Response of Contel to Complainant and DRA

On May 25, 1990, Contel replied to the comments of the complainant and the comments of the DRA. In response to complainant, Contel maintained that it is appropriate to use the Pacific ZUM mileage and rate structure for its ZUM Proposal. Contel reasoned that since it does concur in the intraLATA toll rate structure of Pacific and ZUM has evolved as a replacement of short-haul toll service in exchanges all over the state, it is reasonable to use Pacific's ZUM rate structure. Contel disputed Hedlund's conclusion that only 30% of the population has telephone service; based on a survey conducted two years ago, Contel estimated that 86.4% of the Lucerne Valley households had service, and Contel believes that this percentage has been increasing since then.

In response to DRA's comments, Contel clarified that it would charge ZUM zone calls at ZUM rates and that these calls would not be credited to the usage allowance under any optional calling plan or charged at the discounted rates applicable to that plan. Contel estimates that it can complete its implementation of its ZUM Proposal within 90 days after the Commission's decision approving the plan.

Comments of Newberry Community Services District

In written comments on Contel's proposal, filed July 9, 1990, the Newberry Community Services District (District) states that its primary concern continues to be the cost of calls to Barstow, a route with a rate distance of 21 miles. ZUM rates are available only for routes up to 16 miles. Calls between the Newberry Springs and Barstow exchanges would remain toll calls under Contel's plan. Since ratepayers located in the Newberry Springs exchange would be denied a decrease in rates under the ZUM plan, the District suggests the Commission consider a restructuring of ZUM zones in rural areas such as Newberry Springs. The District asks the Commission to designate routes between Newberry and Barstow as Zone 3 routes. The District believes that the Commission found that a strong community of interest exists between Newberry Springs and Barstow in D.88-06-047. In the alternative, the District suggests the creation of a Zone 4 which would include calling routes from 16 to 25 miles. Routes from a rural area to an urbanized area such as Newberry Springs to Barstow would be billed at a reduced toll rate.

The District does not oppose Contel's ZUM Proposal because ORTS will continue to be available after implementation of ZUM and the reduction in toll costs for routes included in the plan may free up calling "credit" for calls to Barstow.

Ratepayer Notice of Contel ZUM Proposal

Contel sent a bill insert notice to all customers affected by Contel's ZUM Proposal with the regular billing cycles beginning on May 11 and concluding with June 5. The notice explained the nature of ZUM, specified the routes to be converted from toll to ZUM, indicated two public meetings where questions on the proposal would be answered, and informed ratepayers of the opportunity to express in writing any concerns they might have with the proposal.

Two public meetings were held to discuss the ZUM Proposal. One was held on June 13, 1990 at the Lucerne Valley Community Center. The other was held at the Newberry Community Center on June 16. There, Contel representatives explained the proposal and its impact on telephone service rates in Newberry and answered a number of questions.

The Commission, through its Office of the Public Advisor, received numerous letters in support of the Victor Valley ZUM proposal. In addition, ratepayers in the Phelan area wrote to request ZUM service so that they could have toll free calling to Victorville. This request cannot be considered in this case because there is no procedural or factual basis for expanding ZUM service to Phelan. The complaint does not address telephone service in the Phelan area. Phelan is not in the geographic area Contel was ordered to study. There was no notice alerting the public to the possibility of ZUM service to Phelan. Interested ratepayers may institute a separate proceeding where they may demonstrate the public interest to be served by a change in rates between Phelan and Victorville.

Discussion

We find that Contel has approached the problem of providing ZUM rates to callers located in the Victorville exchange and Barstow exchange in a reasonable manner. As Contel states,

"As presently configured, the size of the Victorville Exchange makes implementation of ZUM impractical without the use of DAs. The Victorville Exchange includes (the communities of) Apple Valley, Hesperia, Adelanto, Silver Lakes, and Victorville. For Victorville, all toll is rated from the Victorville rate center. Therefore, even though the exchanges are contiguous, a toll call from Lucerne Valley to any location in the current Victorville exchange is rated at 21 miles. This can lead to instances where calls of just a few miles are rated as 21 mile toll calls. The distance of 21 miles also puts all portions of the Victorville exchange outside of the Pacific

Bell ZUM rate bands, which only extend up to 16 miles. Without some type of disaggregation of the Victorville exchange, there are no routes within the Victorville area which would qualify for ZUM service. The same is true for the current Barstow Exchange. Barstow's Exchange includes Barstow, South Barstow, and Yermo." (Contel Response to ALJ's Ruling of February 15, 1990).

Like the other local exchange carriers in the state, Contel concurs in the toll rates of Pacific Bell (Pacific). ZUM rates were first established for Pacific. When ZUM pricing was authorized for GTE California Incorporated (GTEC), Pacific's ZUM rates were adopted for GTEC. Contel's ZUM Proposal likewise incorporates Pacific's ZUM rate schedule. ZUM pricing confers a significant decrease in rates to customers. A comparison of Contel's existing toll and proposed ZUM rates appears below:

<u>ZUM Zones</u>		<u>Toll Rate</u> <u>1st Min.</u>	<u>Toll Rate</u> <u>Add. Min.</u>	<u>ZUM Rate</u> <u>1st Min.</u>	<u>ZUM Rate</u> <u>Add. Min.</u>
Local (home)	0-8 miles	-	-	-	-
Zone 2	9-12 miles	.17	.07	.08	.02
Zone 3	13-16 miles	.20	.10	.10	.04
Toll	17+ miles				

Contel's proposal will accomplish the following:

1. All calls within the present Barstow exchange are rated as local and the creation of the Barstow and Yermo DAs ensures that all calls within and between the Barstow and Yermo DAs will remain local after implementation of Contel's proposed ZUM plan. Similarly, all calls within the present Victorville exchange area are rated as local. The reconfiguration of the Victorville exchange into DAs instead of new exchanges ensures that all calls within and between the newly created DAs will continue to be rated as local calls.
2. In general, routes between the new DAs and contiguous exchanges are rated as ZUM calls. Routes between the new DAs and contiguous exchanges which do not exhibit

sufficient community of interest will remain toll routes.

3. The existing wire center serving areas of the proposed DAs and the level of community of interest between the proposed DAs are recognized by the boundaries of Contel's proposed DAs.
4. Contel's new DA wire centers would be used to rate only ZUM calls that originate or terminate in the DAs. Toll calls originating or terminating within the DAs would continue to be rated from the existing rate centers. This would minimize the effect of its ZUM Proposal on other interconnecting local exchange companies' toll traffic which terminates in the DAs.
5. The creation of DAs instead of smaller exchanges also ensures that the implementation of the proposed ZUM plan does not affect Contel's present local and toll rate structures.
6. Revenue impact from the ZUM plan is limited to the reduction in mileage between the DAs and contiguous exchanges and the reduction from toll to ZUM rates, adjusted for increased demand and plant investment to meet demand.

None of the interested parties opposed Contel's ZUM Proposal, although Hedlund and the District were not entirely satisfied with Contel's reliance on ZUM rates and mileages.

Hedlund suggested that Contel should not limit its proposal to the use of Pacific's ZUM tariffs and zone mileages because distances between communities of interest are greater in the High Desert (Victor Valley) Area. The ZUM rating method has been found to be appropriate in densely populated urban environments, rather than more widely dispersed communities, because of the economies of scale resulting from the intensive use of telephone plant. It appears that many residents of the Victor Valley Area have settled there to escape urban densities which are

needed to produce economies of scale. Those economies cannot be presumed to exist where mileage between calling communities exceeds those of the current ZUM zones. Contel's use of Pacific's ZUM methodology is reasonable.

Hedlund's argument that since Contel's basic exchange rate is different from Pacific's, Contel need not concur in Pacific's ZUM tariffs, is groundless. Toll rates, on which ZUM rates are based, are uniform throughout the state. There is no policy favoring the precise statewide averaging of basic exchange rates between utilities. The Commission will review the basic exchange rates of all local exchange carriers, including Contel, in the supplemental rate design proceeding that will be getting underway in I.87-09-033 at the end of this year. The issue of universal telephone service will be addressed in that proceeding, as well.

Hedlund's comment that basic monthly rates are excessive raises a new issue. The complaint does not address rates for monthly service. We need not consider an issue that has not been properly raised in the proceeding. Moreover, the Commission is likely to address Contel's basic monthly rate during the course of supplemental rate design in I.87-09-033.

We appreciate the understanding that Contel has reached with DRA concerning the conversion of routes which have become ZUM Zone 2 routes under the ZUM Proposal. Those routes will become part of the local exchange calling area consistent with D.89-10-031, as modified.

The District claims that the Commission found that a community of interest exists between the Newberry Springs and Barstow exchanges. This would justify conversion of that route from toll to Zone 3 or the creation of ZUM Zone 4 to provide discounted calling over that route, according to the District. In D.88-06-047, the Commission stated, "While the bulk of the testimony indicates a strong community of interest between Newberry

Springs and Barstow, the statistics as measured through the community of interest factor for the four study months does not correlate with a corresponding high amount of calling between Newberry Springs and Barstow." (Mimeo. p. 19, emphasis added.) There is no factual basis to support the rating of this route as Zone 3. We are even less inclined to create a ZUM Zone 4 for this route.

The correspondence received by the Commission indicates that many ratepayers located in the Victor Valley area are eagerly anticipating the reduction from toll to ZUM rates. We are pleased that Contel has worked with the DRA and the Commission's Public Advisor to provide full and responsible notice to its ratepayers of its ZUM Proposal. We find that Contel should notify its customers of the new rates contained in the ZUM Proposal through bill inserts provided during the billing cycle which follows the effective date of implementation of Contel's ZUM Plan.

The ZUM Plan should be implemented within 90 days of the effective date of this decision. Within 20 days of the effective date, Contel should file an advice letter proposing the adoption of tariff sheets to carry out the terms of this order. The appropriate tariff sheets are attached as Appendix A to this order.

Findings of Fact

1. The Interim Opinion in this proceeding, D.89-11-024, required defendant Contel to study the feasibility of providing ZUM service to customers of the Victorville exchange. Contel was to file its feasibility study with the Commission on or before February 1, 1990 and to serve it on parties to this proceeding.

2. On January 31, 1990, Contel submitted its ZUM Feasibility Study - Victorville as ordered by D.89-11-024.

3. After consultation with the assigned administrative law judge, Contel submitted a comprehensive proposal for the implementation of ZUM in the Newberry Springs/Barstow area as well as the Victorville area. This "Victor Valley ZUM Proposal" was

submitted on March 22, 1990 and was served on all parties to C.87-06-003 as well as the parties to this proceeding.

4. In D.88-06-047 in C.87-06-003, Contel was ordered to prepare a feasibility study for the deployment of ZUM rates in the Newberry Springs/Barstow area. Contel was also required to implement ORTS for Newberry Springs customers for calling to the Barstow and Yermo exchanges until ZUM is implemented for routes between those exchanges.

5. Contel's Victor Valley ZUM Proposal would convert certain calls between the current Victorville exchange and contiguous exchanges from toll routes to ZUM-rated routes. It would accomplish this by reconfiguring its present Victorville exchange into four district areas. The Barstow exchange would be reconfigured into two district areas. The wire centers in each district area would be used for rating purposes. ZUM service would be implemented on 14 toll routes in the Victor Valley area. The proposed ZUM routes are all two-way intracompany routes.

6. Customers who currently subscribe to ORTS will not be required to convert to ZUM service.

7. The current ORTS "Call Bonus Wide Area Plans" and "Business Optional Calling Plans" will continue to be available to all Contel's customers. However, ORTS will no longer be offered over the proposed ZUM Zone 2 and 3 routes.

8. Private line services will not be affected by this ZUM offering.

9. Contel is expected to experience a reduction in its annual revenues of \$246,441.

10. Contel has offered to absorb the loss of annual revenues through the course of its normal operations.

11. Contel anticipates that it will expand its trunking capacity with 11 DS-1 high capacity circuits to meet the increase in calling likely to result from lower ZUM rates. The cost of these facilities has been included in the annual revenue reduction, which Contel will not seek to recover in rates.

12. Comments on the Victor Valley ZUM Proposal were filed by complainant, DRA, and the District.

13. It is appropriate for Contel to use Pacific's ZUM mileage band and ZUM rates because toll rates are statewide average rates, and Pacific's ZUM rates are the equivalent of statewide rates.

14. No expansion of ZUM Zone 3 to accommodate mileages over 16 miles or the creation of ZUM Zone 4 is justified to provide lower cost calling between Newberry Springs and Barstow because there is no evidence to show that economies of scale exist for the provision of service over that route. The Commission did not conclude in either D.88-06-047 or in this proceeding that calling factors demonstrate that a community of interest exists between Newberry Springs and Barstow.

15. Toll traffic will be rated from the existing exchange rate centers because this will eliminate the need for Contel and other interconnecting local exchange companies to restructure their billing and toll traffic arrangements.

16. ZUM Zone 2 routes created by the Victor Valley ZUM Proposal will be converted to local calling routes consistent with the Commission's decision to expand the local calling area to 12 miles in D.89-10-031, as modified by D.90-02-031.

17. Contel's tariff rates and charges for the intraexchange private line and private line-like services will continue to apply to the interdistrict private line and private line-like services in these exchanges.

18. Contel has already notified affected customers of its Victor Valley ZUM Proposal and held two public meetings to discuss the proposal pursuant to notices enclosed with customers' bills.

Conclusions of Law

1. Contel's Victor Valley ZUM Proposal is reasonable and should be adopted.

2. Contel should notify its customers that ZUM rates have become effective during the billing cycle following the effective date of implementation.

FINAL ORDER

IT IS ORDERED that:

1. The complaint of Chuck Hedlund against Continental Telephone Company of California (Contel) is granted as provided herein.
2. Contel shall file an advice letter proposing maps and the revised tariffs attached to this decision as Appendix A to implement its Victor Valley ZUM Proposal within 20 days of the effective date of this decision.
3. The Victor Valley ZUM Proposal shall be implemented no later than 90 days of the effective date of this decision.
4. Regardless of the exact dates on which the Victor Valley ZUM Proposal and Contel's local calling area is expanded pursuant to this decision, routes which are converted to ZUM Zone 2 routes under the ZUM Proposal shall become local routes when expansion of the local calling area occurs in I.87-11-033.
5. Contel shall notify its customers who are affected by the Victor Valley ZUM Proposal of the implementation of ZUM rates by bill notice during the billing cycle following the date on which ZUM rates become effective. The notice shall contain the table

comparing toll and ZUM rates which appears on page 10 of this decision and shall be approved by the Commission's Public Advisor prior to publication.

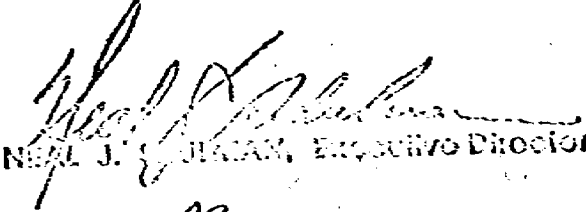
This order is effective today.

Dated November 21, 1990, 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.

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


NEAL J. SURJAN, Executive Director

SCHEDULE NO. A-1

NETWORK ACCESS LINE SERVICE

LIST OF EFFECTIVE SHEETS

Sheets 1 through ³⁹~~27~~ of this schedule are effective as of the date shown (T) on each sheet.

Sheet	Number of Revision	Sheet	Number of Revision
1-T	74th 23rd (T)	21-T	7th
2-T	8th	22-T	5th
3-T	10th	22A-T	5th
3A-T	4th	22B-T	1st { Original (N)
4-T	8th	22C-T	4th { Original (N)
4B-T	3rd	22D-T	6th
4C-T	18th	24-T	5th
4A-T	22nd	24A-T	2nd
5-T	23rd	24B-T	1st
6-T	19th	24C-T	2nd
7-T	14th	25-T	1st
8-T	Original	25A-T	3rd
9-T	Original	26-T	Original
9A-T	10th	26A-T	3rd
9B-T	7th	27-T	3rd
10-T	9th	28-T	5th
11-T	13th	29-T	8th
12-T	9th	30-T	11th
13-T	15th	31-T	8th
14-T	9th	32-T	4th
15-T	9th	32A-T	Original
16-T	10th	33-T	Original
17-T	Original	34-T	Original
17A-T	3rd	35-T	Original
18-T	3rd	36-T	3rd
19-T	9th	37-T	Original (N)
20-T		38-T	Original (N)
		39-T	

(continued)

Advice Letter No. ~~88-08-035~~
 Decision No. _____

ISSUED BY
 James F. Miles
 PRESIDENT

Date Filed ~~11/13/88~~
 Effective ~~11/13/88~~
 Resolution No. _____

SCHEDULE NO. A-1

NETWORK ACCESS LINE SERVICE (continued)

Zone Usage Measurement Service (ZUM) Calling Routes

(N)

<u>Originating Point</u>	<u>Terminating Point</u>	<u>ZUM Zone</u>
Adelanto DA of the Victorville Exchange	Victorville Exchange	
	Adelanto DA	1
	Apple Valley DA	1
	Hesperia DA	1
	Victorville DA	1
Apple Valley DA of the Victorville Exchange	El Mirage Exchange	2
	Victorville Exchange	
	Adelanto DA	1
	Apple Valley DA	1
	Hesperia DA	1
	Victorville DA	1
Hesperia DA of the Victorville Exchange	Summit Valley Exchange	3
	Lucerne Valley Exchange	3
	Victorville Exchange	
	Adelanto DA	1
	Apple Valley DA	1
Victorville DA of the Victorville Exchange	Hesperia DA	1
	Victorville DA	1
	Summit Valley Exchange	2
	Victorville Exchange	
	Adelanto DA	1
El Mirage Exchange	Apple Valley DA	1
	Hesperia DA	1
	Victorville DA	1
	El Mirage Exchange	3
	Summit Valley Exchange	3
	Victorville Exchange	
El Mirage Exchange	Adelanto DA	2
	Victorville DA	3

(N)

(continued)

Advice Letter No. _____

ISSUED BY

James F. Miles

PRESIDENT

Date Filed _____

Effective _____

Resolution No. _____

SCHEDULE NO. A-1

NETWORK ACCESS LINE SERVICE (continued)

Zone Usage Measurement Service (ZUM) Calling Routes (continued)

(N)

<u>Originating Point</u>	<u>Terminating Point</u>	<u>ZUM Zone</u>
Lucerne Valley Exchange	Victorville Exchange Apple Valley DA	3
Newberry Exchange	Barstow Exchange Yermo DA	2
Summit Valley Exchange	Victorville Exchange Apple Valley DA Victorville DA Hesperia DA	3 3 2
Barstow DA of the Barstow Exchange	Barstow Exchange Barstow DA Yermo DA Lenwood Exchange	1 1 1
Yermo DA of the Barstow Exchange	Barstow Exchange Barstow DA Yermo DA Lenwood Exchange Newberry Exchange	1 1 1 2
Lenwood Exchange	Barstow Exchange Barstow DA Yermo DA Lenwood Exchange	1 1 1

(N)

(continued)

Advice Letter No. _____

Decision No. _____

ISSUED BY
James F. Miles
PRESIDENT

Date Filed _____

Effective _____

Resolution No. _____

SCHEDULE NO. A-1

NETWORK ACCESS LINE SERVICE (continued)

RATES (continued)

A13 Zone Usage Measurement Service (ZUM) (continued)

(N)

B1 Zone Calling Rates

C1 Zone Calling Rates are applicable to calls between the Zones as shown in ZUM calling routes preceding.

<u>Zone</u>	<u>Initial Period 1-Minute¹</u>	<u>Each Addl. Minute¹</u>
1 (Local)	-	-
2 (9-12 miles)	\$.08	\$.02
3 (13-16 miles)	.10	.04

NOTE 1: Or portion thereof.

(N)

(continued)

Advice Letter No. _____

ISSUED BY

Date Filed _____

Decision No. _____

James F. Miles
PRESIDENT

Effective _____

2317W.REV-3

Resolution No. _____

SCHEDULE NO. A-1

NETWORK ACCESS LINE SERVICE (continued)

RATES (continued)

A13 Zone Usage Measurement Service (ZUM) (continued)

(N)

B2 Zone Calling Day Rate and Discounts apply as follows:

C1

Monday thru Friday

<u>HOURS</u> ¹	<u>RATE</u>	<u>DISCOUNT</u>
8:00 a.m. to 5:00 p.m.	DAY	NONE
5:00 p.m. to 11:00 p.m.	EVENING	30%
11:00 p.m. to 8:00 a.m.	NIGHT	60%

Saturday and Sunday

<u>HOURS</u>	<u>RATE</u>	<u>DISCOUNT</u>
ALL	NIGHT	60%

C2 Discounts are applicable to calls originated during the periods as shown on the chart above.

Zone 2 and 3 calls are discounted on a per call basis for calls placed during the discounted period. Fractional amounts are rounded to the nearest cent.

NOTE 1: To, but not including.

(N)

(continued)

Advice Letter No. _____

Decision No. _____

ISSUED BY
James F. Miles
PRESIDENT

Date Filed _____

Effective _____

Resolution No. _____

SCHEDULE NO. A-1

NETWORK ACCESS LINE SERVICE (continued)

CONDITIONS (continued)

A18 Zone Usage Measurement Service (ZUM) (continued)

(N)

B1 Zone Calling Rates

Applicability:

C1 Zone 2 and Zone 3 rates apply to all calls within the originating exchange's Zone 2 and Zone 3 when such calls originate from all services except Semi-public and Public Paystations.

C2 Zone rates do not apply to messages originated from Semi-public or Public Paystations. Message toll rates apply to all messages originated from these services except for messages which terminate in Zone 1.

(N)

(continued)

Advice Letter No. _____

Decision No. _____

ISSUED BY
James F. Miles
PRESIDENT

Date Filed _____

Effective _____

Resolution No. _____

SCHEDULE NO. A-1

NETWORK ACCESS LINE SERVICE (continued)

CONDITIONS (continued)

A18 Zone Usage Measurement Service (ZUM) (continued)

(N)

B2 Zone Calling Charges

Zone Calling charges apply to:

C1 Sent-Paid messages dialed and completed by the customer from a residence or business telephone service without the assistance of a utility operator.

C2 Sent-Paid messages placed with the assistance of a utility operator where:

- Dial completion facilities are not available.

- Equipment or circuit conditions cause unsuccessful dial attempts.

- The customer is identified as being handicapped and unable to dial.

- The utility operator must identify the calling number where automatic recording equipment is not available.

C3 Sent-Paid messages reestablished after a service failure on a customer-dialed call.

B3 Verification of a busy line condition and/or interruption of a conversation in progress at the calling party's request will be provided as set forth in Schedule No. A-1.

(N)

Advice Letter No. _____

ISSUED BY

Date Filed _____

Decision No. _____

James F. Miles
PRESIDENT

Effective _____

Resolution No. _____

SCHEDULE NO. A-38

OPTIONAL RESIDENCE TELEPHONE SERVICE

LIST OF EFFECTIVE SHEETS

Sheets 1 and 2 of this schedule are effective as of the date shown on each sheet.

<u>Sheet</u>	<u>Number of Revision</u>	
1-T	// <u>10th</u>	(T)
2-T	// <u>10th</u>	(T)

(continued)

Advice Letter No. 626
Decision No. _____

ISSUED BY
James F. Miles
PRESIDENT

Date Filed JUN 2
Effective AUG 18
Resolution No. _____

SCHEDULE NO. A-38

OPTIONAL RESIDENCE TELEPHONE SERVICE (continued)

APPLICABILITY

Applicable to residence one-party flat rate and residence one-party measured rate service offered under Schedule No. A-1.

TERRITORY

Within the indicated exchange areas of the exchanges listed below under service areas.

SERVICE AREAS

Customers may select Optional Residence Telephone Service from the exchanges of district areas to the exchanges or district areas designated as:

(T)

Exchange/District	Area From To	Prefixes Served	Service Area Rate Group
Lucerne Valley	Victoryville	241,243,245,261,951,952	4
	Hesperia	244,947,948,949	4
	Apple Valley	247,248	4
	Desert Pacific	248,246	4
Newberry Springs	Barstow	256,252,254,255,577	4
	Ridgecrest	371,375,446,499	3
	Trona	371,375,446,499	4
El Mirage	Adelanto	246	3
Lucerne Valley	Victoryville	241,243,245,261,951,952	3
Lucerne Valley	Hesperia	244,947,948,949	3
Lucerne Valley	Victoryville	241,243,245,261,951,952	3
Sea Ranch (Timber Cove)	Gualala	884	4

(D)
(D)
(D)
(D)
(D)
(D)

RATES*

The rates and special conditions applicable to optional residence telephone service are those in effect in the Pacific Bell's filed Schedule Cal. P.U.C. No. A6 Call Bonus - Community Plans.

* Service charges will not apply to customers who request service ^{within} 90 days after the effective date of this service. (T)

¹⁶
~~14~~th Revised CAL. P.U.C. SHEET NO. 1-T

¹⁵
~~14~~th Revised CAL. P.U.C. SHEET NO. 1-T

SCHEDULE NO. G-1

PRIVATE LINE SERVICES AND CHANNELS

LIST OF EFFECTIVE SHEETS

Sheets 1 through 7 of this schedule are effective as of the date shown on each sheet.

<u>Sheet</u>	<u>Number of Revision</u>	
1-T	16 X th	(T)
1A-T	Original	
2-T	3rd	(T)
3-T	2nd	
4-T	9 X th	(T)
4A-T	1st	
5-T	3rd	
6-T	Original	
7-T	Original	

(continued)

Advisory Letter No.

Decision No.

ISSUED BY
James F. Miles
PRESIDENT

Date Filed
Effective
Resolution No.

SCHEDULE NO. G-1

PRIVATE LINE SERVICES AND CHANNELS (continued)

APPLICABILITY

Applicable to intrastate private line services and channels furnished or made available by Contel of California, Inc. between its points and between its points and points reached over facilities of connecting companies.

TERRITORY

Entire territory as defined on maps and in preliminary statements filed as part of the tariff schedules.

ADOPTION NOTICE

Except for services as provided for within all exchanges as set forth under Rates below, Contel of California, Inc. assents to, adopts, and concurs in the tariffs of Pacific Bell listed below, together with amendments thereto and successive issues thereof, and hereby makes itself a party thereto until this authority is revoked by cancellation of this Adoption Notice for the purpose of Contel of California, Inc. furnishing intrastate private line services and channels.

interexchange private line

Schedule Cal. P.U.C. No. B3.1.4, Mileage Rates. (when associated with an interexchange private line circuit)

Schedule Cal. P.J.C. No. B2, General Regulations.

Schedule Cal. P.U.C. No. B3, Private Line Services, Channels.

Schedule Cal. P.U.C. No. B3.2.1, Series 1000 Channels for Private Line Teletypewriter and Morse Services.

Schedule Cal. P.U.C. No. B3.2.6, Series 6000 Channels for Program Transmission in Connection with Loudspeakers, Sound Reproduction, or Sound Recording.

Schedule Cal. P.U.C. No. B3.2.5, Series 6000 Channels for One-Way Program Transmission Networks in Connection with Loudspeakers.

Schedule Cal. P.U.C. No. B3.1.5, Nonrecurring Move and Change Charges.

(continued)

Advice Letter No. 82-67

Decision No. _____

ISSUED BY
James F. Miles
PRESIDENT

Date Filed MAR 21 1968

Effective MAY 14 1968

Resolution No. _____

CONTINENTAL TELEPHONE
COMPANY OF CALIFORNIA

C.88-08-035 /ALJ/ECL/vd1

APPENDIX A, Page 12
BAKERSFIELD, CALIFORNIA

^{9th}
~~8th~~ Revised CAL P.U.C. SHEET NO. 4-T

CANCELING ^{8th}
~~8th~~ Revised CAL P.U.C. SHEET NO. 4-T

SCHEDULE NO. G-1

PRIVATE LINE SERVICES AND CHANNELS (continued)

LEASED LINE AND PRIVATE LINE SERVICE

RATES

A1 Intraexchange service †

B1 Station and equipment

C1 Each telephone station.

C2 Miscellaneous and other services. . .

B2 Local channel mileage

C1 First 1/4 mile or fraction thereof,
air line measurement

D1 In all exchanges.

C2 Each additional 1/4 mile or fraction
thereof, air line measurement

D1 In all exchanges.

B3 Automatic ringdown equipment.

~~MI~~
|
~~MI~~
Monthly S&Z
Rate † Code (M)
(T)

\$2.75 ~~LC~~TS

Rates and charges LCTE
as set forth in
respective schedules.

8.35 ~~LC~~N1

2.10 ~~LC~~N2

2.75 ~~LC~~RA

† Intraexchange service rates and charges are applicable to intraexchange interdistrict private line and private line like services. (N)
(N)
* Plus applicable service charge, as shown in Schedule No. A-30. †
* Plus associated station equipment and local channel mileage.
Contel does not concur in Pacific Bell's intraexchange interdistrict private line tariff rates. (N)
(N)
(continued)

Advisory Letter No. 7-74
Decision No. 88-08-035

ISSUED BY
James F. Miles

Case File
Effective

SCHEDULE NO. G-1

PRIVATE LINE SERVICES AND CHANNELS (continued)

LEASED LINE AND PRIVATE LINE SERVICE

RATES (continued)

A2 Interexchange channels

Interexchange channel service between this utility's exchanges, or between this utility's exchanges and connecting utility exchanges will be provided at rates, charges, and conditions as set forth in Pacific Bell's P.U.C. Schedule No. 83, Private Line Services.

PLTM
PLTC
PLTD
PLT2
PLAD
PLAS
PLAT
PLTL

~~PL~~
1
~~PL~~

(continued)

Advisory Letter No. 822

ISSUED BY
James F. Miles
PRESIDENT

Date Filed JUL 2 1987

Effective JUL 1 1987

Resolution No. _____

SCHEDULE NO. A-1

NETWORK ACCESS LINE SERVICE (continued)

CONDITIONS (continued)

A18 Zone Usage Measurement Service (ZUM) (continued)

(N)

B2 Zone Calling Charges

Zone Calling charges apply to:

C1 Sent-Paid messages dialed and completed by the customer from a residence or business telephone service without the assistance of a utility operator.

C2 Sent-Paid messages placed with the assistance of a utility operator where:

- Dial completion facilities are not available.
- Equipment or circuit conditions cause unsuccessful dial attempts.
- The customer is identified as being handicapped and unable to dial.
- The utility operator must identify the calling number where automatic recording equipment is not available.

C3 Sent-Paid messages reestablished after a service failure on a customer-dialed call.

B3 Verification of a busy line condition and/or interruption of a conversation in progress at the calling party's request will be provided as set forth in Schedule No. A-1.

B4 Optional calling plans as shown in Pacific Bell's Schedule Cal. P.U.C. No. A6.3 message Telecommunications Service, Optional Calling Plans, do not apply to ZUM Zones 2 and 3 messages that originate and terminate in Contel exchanges.

(N)

Advice Letter No. _____

ISSUED BY

Date Filed _____

Decision No. _____

James F. Miles

Effective _____

PRESIDENT

Resolution No. _____

CONTEL OF CALIFORNIA, INC.

C.88-08-035 /ALJ/ECL/wdl

APPENDIX A, Page 15

BAKERSFIELD, CALIFORNIA

4th

~~2nd~~ Revised

CAL. P.U.C. SHEET NO. 2-T

3rd

CANCELING ~~2nd~~ Revised

CAL. P.U.C. SHEET NO. 2-T

SCHEDULE NO. 8-1

TOLL TELEPHONE SERVICE (continued)

APPLICABILITY

Applicable to message toll telephone service and to message toll mobile telephone service furnished or made available by the utility between its points and between its points and points reached over facilities of connecting companies.

TERRITORY

Between points in the State of California where the respective rate centers of such points are located in said state.

TOLL SERVICE ADOPTION NOTICE

Contel of California Inc. assents to, adopts and concurs in the tariffs of Pacific Bell listed below, together with amendments thereto and successive issues thereof, and hereby makes itself a party thereto until this authority is revoked by cancellation of this adoption notice for the purpose of the utility furnishing all intrastate message toll telephone service thereunder originated at or terminated at a point of this utility

Schedule Cal. P.U.C. No. A6.2.1, Two-Point Message Telecommunication Service.

Schedule Cal. P.U.C. No. A6.2.3, Conference Services.

Schedule Cal. P.U.C. No. A6.2.7, Message Toll Telephone Service - Rates and Conditions.

Schedule Cal. P.U.C. No. A6.2.7, Message Toll Telephone Service - Toll Rate Guide General Rate Regulations.

Schedule Cal. P.U.C. No. A6.2.7, Message Toll Telephone Service - Toll Rate Guide for the State of California.

Schedule Cal. P.U.C. No. A6.2.7, List of Rate Centers for V-H Mileage Measurement.

Schedule Cal. P.U.C. No. A6.3, Message Toll Telephone Service, Optional Calling Plans (exception; optional calling plans do not apply to ZUM Zones 2 and 3 messages originated and terminated in Contel exchanges.)

Advice Letter No. 828

Decision No.

ISSUED BY James F. Miles PRESIDENT

Date Filed Apr 14 1988

Effective MAY 15 1988

Resolution No.