

DEC 20 1990

Decision 90-12-084 December 19, 1990

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of AT&T Communications)
 of California, Inc. (U 5002 C) under)
 Rules 15 and 18, for a Certificate)
 of Public Convenience and Necessity)
 for Interim Authority Issued Ex)
 Parte to Provide IntraLATA Operator-)
 handled Conference Service.)

ORIGINAL
 Application 90-08-038
 (Filed August 19, 1990)

O P I N I O N

This decision grants AT&T Communications of California, Inc. (AT&T) a certificate of public convenience and necessity (CPCN) to provide incidental intraLATA operator-handled conference service (OHCS) within the Pacific Bell (Pacific) service territory LATA, in conjunction with AT&T's provision of the interLATA portion of this service. The grant of authority is effective January 1, 1991 and until implementation of intraLATA competition proposed in Decision (D.) 90-08-066 (August 29, 1990) in Order Instituting Investigation (I.) 87-11-033. However, this grant of interim authority shall expire upon Pacific's entry into a new shared network facilities agreement (SNFA) with another OHCS provider prior to the time the LATA is open to competition under the dictates of D.90-08-066. Also, should Pacific agree to extend the SNFA past the December 31, 1990 termination date, AT&T shall continue to operate thereunder.

Discussion

AT&T is currently authorized to provide intrastate interLATA OHCS under its Tariff Schedule Cal PUC No. A6. AT&T also provides intraLATA OHCS on behalf of Pacific under the terms of an SNFA. Similarly, AT&T provides intraLATA OHCS on behalf of the majority of independent local exchange companies (LECs) under terms of an "agreement for the provision of telecommunications services

and facilities." These agreements were made on or about the time of the divestiture of the Bell System in 1984 because of the difficulty of drawing a bright line between intraLATA and interLATA conference calling and the inconvenience such a division would have caused to end-users. AT&T had been providing OHCS to the public before the Bell System divestiture.

The genesis of this application was Pacific's April 30, 1990 letter to AT&T requesting early termination of the SNFA, effective August 1, 1990, pursuant to the SNFA's 90-day prior notice termination provision. On June 18, 1990, Pacific sent a further letter to AT&T expressing Pacific's intention to issue a request for proposal (RFP) to the industry to provide intraLATA conference calling. Pacific stated that its intention was to issue the RFP by July 15, 1990 and complete the reply and selection process by September 1, 1990 and have the conference call provider in place by January 1, 1991. On June 29, 1990, Pacific sent a letter to AT&T requesting a new termination date of September 30, 1990.

On August 17, 1990, AT&T filed this application for interim authority to provide the intraLATA OHCS in Pacific's service territory. On August 21, 1990, AT&T received a letter from Pacific canceling Pacific's request to terminate the SNFA arrangement on September 30, 1990 and instead requesting a termination date of December 31, 1990. AT&T then amended its application to provide intraLATA OHCS to be effective January 1, 1991 or upon an earlier termination of the SNFA, whichever first occurred. The protest period expired October 9, 1990 and no protests were filed. On November 1, 1990, an Administrative Law Judge's Ruling required a supplement to the application, which was filed on November 7, 1990. Interested parties were given five days to respond but no responses were filed.

The Division of Ratepayer Advocates (DRA) did not protest the AT&T application on the ground that its primary purpose is to

continue a service now being offered by AT&T on behalf of Pacific. However, on November 29, 1990, DRA filed its comments on the application. In the comments, DRA noted that this Commission, in its ongoing investigation in I.87-11-033, has been investigating the opening of competition between interexchange companies (IECs) and LECs for services provided within the LATA. DRA expressed its concern that this application could be used as precedent to further extend intraLATA services provided by IECs prior to the final resolution in I.87-11-033. Therefore, DRA recommended that any decision rendered in this proceeding specify that it should not serve as a precedent for future rulings outside the confines of I.87-11-033.

OHCS provides communications, handled by an operator, between a calling party and two or more called parties. The operator will attempt to arrange a conference call at a time specified by the customer. The conference call may be arranged so that all parties can communicate, or so that one party transmits and all others receive. An intraLATA conference call would have all customers on the call located within the same LATA. If any party on the call is located in a different LATA, the call would be an interLATA call as any one party on the call would be communicating with all other parties.

If a conference call service could not be provided on a seamless or nonjurisdictional basis, both the LEC and the IEC offering the service would have to question the customer as to the number plan areas and exchanges the customer wanted to conference before making a determination whether the call was wholly intraLATA or had an interLATA leg. If the call is wholly intraLATA and the caller had contacted an IEC, the caller would have to be directed to the LEC. Conversely, if the caller had called the LEC and it is determined that the call has an interLATA leg, the caller would have to be directed to an IEC. Once committed to the appropriate carrier, the caller could not add or delete a party on the

conference call, thereby changing the jurisdictional nature of the call, as between inter and intraLATA, without causing the entire process to begin again. This would create difficulties since most conference calls are scheduled in advance and often include additions or deletions.

IntraLATA conference calling is a small portion of conference calling volume. AT&T completes approximately 12,000 intraLATA calls per year statewide. It has experienced very limited growth in the six years that it has provided such services. AT&T is currently providing this specialized service on behalf of Pacific and has represented in its application that the volumes and revenues from this service are extremely low in the context of total Pacific revenues. It is also AT&T's information and belief that Pacific obtains little or no margin from the revenues it recovers from this service after AT&T's costs are reimbursed. Therefore, it asserts that grant of the application would have no impact on universal service.

Under the SNFA, AT&T uses its facilities to provide OHCS inside Pacific's LATA. AT&T then bills Pacific for its cost of providing the service over its facilities. Pacific bills the end-users under its tariff for such services and then reimburses AT&T its cost. Pacific's tariff is attached as Appendix A to this decision. An intraLATA OHCS call is carried over AT&T's and Pacific's networks in a manner similar to AT&T's interLATA OHCS calls. Appendix B to the decision is a pictorial description of a typical intraLATA OHCS call. This network configuration will not change upon approval of AT&T's OHCS on an intraLATA basis after termination of the SNFA.

Currently, intraLATA OHCS calls may be initiated by calling an AT&T operator directly (by dialing the AT&T "00" operator) or calling AT&T's advertised OHCS 800 number. The customer may also dial "0" and reach a Pacific operator who will, after determining the caller desires an intraLATA conference call,

transfer the call to the AT&T conference operator. Regardless of which of these three methods a customer uses to reach the AT&T conference operator, the call is carried over the Pacific network from the customer to AT&T's conference operator location and at that point enters AT&T's network. AT&T pays switched access charges to Pacific for the access from the customer's premises to AT&T's conference operator location.

All calls are processed the same once a caller is connected to the AT&T conference operator, regardless of how calls were originated. AT&T carries the conference call over its network to the AT&T switch at the terminating location of the call. The Pacific network is used to complete the call to the called party's location. AT&T pays Pacific switched access charges for the terminating end of the call.

Under the SNFA, Pacific bills the customer for the intraLATA conference call pursuant to its tariff. AT&T bills Pacific for AT&T's cost of handling the intraLATA conference call. The sharing of costs with Pacific is determined using a prescribed formula which is set forth in the SNFA.

If the interim authority is granted, after expiration of the SNFA on December 31, 1990, direct provision of the intraLATA OHCS by AT&T will slightly alter some charges and eliminate pass-through billing of Pacific. The customer will no longer be billed pursuant to the relevant Pacific tariff for the intraLATA OHCS call. Instead, AT&T will bill each end-user directly the same rates AT&T now has in effect for intrastate interLATA OHCS. AT&T will no longer charge Pacific for carriage of the calls under SNFA. AT&T will pay Pacific appropriate access charges for use of Pacific's network. The facilities used will remain the same. There will be no reconfiguration of the network for completion of intraLATA OHCS calls. It is AT&T's understanding that Pacific's operators will continue to forward requests for intraLATA OHCS service made through a Pacific "0" operator to AT&T's conference

operator. AT&T will continue to provide the OHCS as it currently does if a customer contacts AT&T directly either by dialing "00" or the AT&T OHCS 800 number.

There is a difference in the rates that the end-users will be charged, after AT&T begins direct provision of intrastate OHCS. Currently, if a conference call is set up containing only intraLATA legs in Pacific's territory, the customer is charged the \$3.75 per leg set-up charge and the sum of the direct distance (DD) rates for the initial period and each additional minute as shown in the basic Schedule 6.2.1A.4a(12). The prices that will be charged by AT&T will differ slightly. AT&T charges a \$3.75 per leg set-up charges, and the sum of the person-to-person initial period and each additional minute as shown in the AT&T Tariff Price List 6.2.1B.2.d attached hereto as Appendix C. Except for calls under 13 miles, the AT&T transport rates are lower than the Pacific rates.

The table below compares the average price of one leg of a conference call for different mileage bands. The price is the sum of the set-up charge, the initial minute, and the additional minutes, using the average length of an intraLATA call, which is 30 minutes, and the day's schedule.

Price of a 30-Minute OHCS Call

<u>Mileage</u>	<u>AT&T</u>	<u>Pacific</u>
5	\$6.51	\$5.95
10	6.51	5.95
15	6.51	6.85
20	6.51	7.74
30	8.02	9.54
40	8.02	10.44
50	8.32	11.34

The proposed tariff is attached as Appendix C to this decision. Upon written approval of the tariff by the Chief of the Commission Advisory and Compliance Division's (CACD) Telecommunications Branch, AT&T may file its tariffs for the

intraLATA OHCS calls. Applicant may not offer this OHCS service until these tariffs are on file and effective. Tariffs shall be effective as of January 1, 1991.

AT&T represents that there should be no impact on the operations or facilities of either AT&T or Pacific due to the provision of the service by AT&T alone. AT&T and Pacific have agreed to work together to ensure that there will be no customer impacts from the modification of the provision of service. AT&T represents that Pacific has agreed to withdraw its intraLATA OHCS tariff to coincide with AT&T's implementation of service. Because AT&T is now providing the intraLATA service, there will be no change in how the service is provided after the CPCN is granted. Also, AT&T anticipates there will only be 12,000 calls per year statewide on the intraLATA OHCS. It represents that this volume is so de minimis that, even if there is a procedural modification in the future, it would have virtually no effect on the facilities, operations, or telephone operators of either AT&T or Pacific. AT&T has represented that should Pacific wish to extend the SNFA past December 31, 1990, it would agree to continue to operate thereunder. However, as of the supplement to its application, filed November 7, 1990, AT&T has represented that to the best of its information and belief, Pacific has not issued an RFP to locate an alternate intraLATA OHCS provider after the expiration of the SNFA on December 31, 1990. AT&T represents that it has not been provided with such an RFP and that it has received no information that any other telecommunications operator provider has received such an RFP.

The SNFA arrangements served the public convenience and necessity for a seamless OHCS because segregating the intraLATA and interLATA portions of the service could prove to be confusing and inconvenient to customers. Customers would otherwise be required to be served by an OHCS of IECs for calls with interLATA legs and an OHCS of the LEC for calls that were wholly intraLATA. In

addition, many of the IECs do not have the operators or facilities to provide this service on their own.

AT&T represented in its application that should interim authority be granted, it does not propose to terminate the agreements it has with other IECs to provide the OHCS in their service territories. However, in AT&T's motion for immediate ex parte approval of its application, filed October 22, 1990 (Motion), AT&T suggested that the Commission's grant of interim authority could declare AT&T was to provide service under these agreements, as well as the Pacific SNFA, unless any IEC terminates, and at that time AT&T could continue to provide the service under its own authority. Such a suggestion is an improper broadening of the application by way of the Motion. Should AT&T have desired to request such authority, the proper procedure would be by an amended application commencing a new 30-day protest period. Since AT&T did not do so, we will not extend the grant of interim authority beyond that originally applied for as to only Pacific's LATA. This is consistent with our holding in D.90-08-066 that IECs could not receive automatic authorization to offer competitive intraLATA services and that IECs must request Commission approval to provide desired competitive intraLATA services, pursuant to Public Utilities Code § 1001, even if they possess authority to offer identical services on an interLATA basis. Such an application must be in compliance with Rules 2 through 8, 15, 16, and 18 of the Commission's Rules of Practice and Procedure. The request in AT&T's Motion does not meet these requirements.

AT&T requested that, if Pacific is not prepared to itself provide intraLATA OHCS within its service territory, Pacific not be permitted to place the service out to bid for other carriers to provide. Instead, AT&T asserted that the Commission should immediately allow full intraLATA competition for this service. We find this unnecessary and inappropriate in light of D.90-08-066.

In D.90-08-066, this Commission proposed that intraLATA competition be permitted in certain areas but stated that full competition, beyond that already allowed, would be permitted for operator services as soon as new rate designs are adopted in the Phase 3 implementation period established in D.90-08-066 for examination of LECs' prices and costs. We designated operator services as a Category II service once competition is authorized and implemented. But, we noted in that decision that the implementation proceeding could easily take 12 months or more to complete.

We find that intraLATA OHCS is a necessary service to the ratepaying public and its provision directly by AT&T, which presently provides it indirectly on behalf of Pacific, will not cause an impact on the ability of Pacific to maintain their low basic rates. We also note Pacific's failure to protest. Our decision today, however, does not represent an opening of operator services to general competition. Nor should it be considered precedent to further extend intraLATA services by IECs prior to final resolution in I.87-11-033. The general plan proposed by D.90-08-066 in I.87-11-033 is not affected by this grant of interim authority. For this reason, we will impose several conditions upon the grant of the interim authority. The grant should extend only until the time of the full implementation of intraLATA competition under I.87-11-033. At that time, AT&T must file to modify the grant of interim authority to comply with all conditions imposed by I.87-11-033. In addition, the grant of interim authority should only be as to Pacific's service area. It should expire upon Pacific's entry into a new SNFA with another OHCS provider, if this occurs prior to the time the LATA is open to competition under I.87-11-033. Should Pacific issue an RFP for a new OHCS provider, AT&T is instructed to bid under the RFP to resume the service under an SNFA arrangement. And, should Pacific agree to extend the SNFA past the December 31, 1990 termination date, AT&T should continue to operate thereunder.

Due to the imminent expiration of the SNFA on December 31, 1990, the decision should be effective today in order to fully implement it prior to January 1, 1991.

Findings of Fact

1. AT&T is currently authorized to provide intrastate interLATA OHCS under its Tariff Schedule Cal PUC No. A6. AT&T also provides intraLATA OHCS on behalf of Pacific under the terms of an SNFA.

2. The genesis of this application was Pacific's April 30, 1990 letter to AT&T requesting early termination of the SNFA, effective August 1, 1990, pursuant to the SNFA's 90-day prior notice termination provision.

3. On August 17, 1990, AT&T filed this application for interim authority to provide the intraLATA OHCS in Pacific's service territory.

4. On August 21, 1990, AT&T received a letter from Pacific canceling Pacific's request to terminate the SNFA arrangement on September 30, 1990 and instead requesting a termination date of December 31, 1990.

5. AT&T then amended its application to provide intraLATA OHCS to be effective January 1, 1991 or upon an earlier termination of the SNFA, whichever first occurred.

6. No protests were filed.

7. OHCS provides communications, handled by an operator, between a calling party and two or more called parties. The operator will attempt to arrange a conference call at a time specified by the customer. The conference call may be arranged so that all parties can communicate, or so that one party transmits and all others receive. An intraLATA conference call would have all customers on the call located within the same LATA. If any party on the call is located in a different LATA, the call would be an interLATA call as any one party on the call would be communicating with all other parties.

8. If a conference call service could not be provided on a seamless or nonjurisdictional basis, both the LEC and the IEC offering the service would have to question the customer as to the number plan areas and exchanges the customer wanted to conference before making a determination whether the call was wholly intraLATA or had an interLATA leg. If the call is wholly intraLATA and the caller had contacted an IEC, the caller would have to be directed to the LEC. Conversely, if the caller had called the LEC and it is determined that the call has an interLATA leg, the caller would have to be directed to an IEC. Once committed to the appropriate carrier, the caller could not add or delete a party on the conference call, thereby changing the jurisdictional nature of the call, as between inter and intraLATA, without causing the entire process to begin again. This would create difficulties since most conference calls are scheduled in advance and often include additions or deletions.

9. IntraLATA conference calling is a small portion of conference calling volume. AT&T completes approximately 12,000 intraLATA calls per year statewide. It has experienced very limited growth in the six years that it has provided such services.

10. AT&T is currently providing this specialized service on behalf of Pacific and has represented in its application that the volumes and revenues from this service are extremely low in the context of total Pacific revenues.

11. Grant of the application would have no impact on universal service.

12. Under the SNFA, AT&T uses its facilities to provide OHCS inside Pacific's LATA.

13. Currently, all calls are processed the same once a caller is connected to the AT&T conference operator, regardless of how calls were originated.

14. Under the SNFA, Pacific bills the customer for the intraLATA conference call pursuant to its tariff. AT&T bills

Pacific for AT&T's cost of handling the intraLATA conference call. The sharing of costs with Pacific is determined using a prescribed formula which is set forth in the SNFA.

15. If the interim authority is granted, after expiration of the SNFA on December 31, 1990, direct provision of the intraLATA OHCS by AT&T will slightly alter some charges and eliminate pass-through billing of Pacific. The customer will no longer be billed pursuant to the relevant Pacific tariff for the intraLATA OHCS call.

16. There is a difference in the rates that the end-users will be charged, after AT&T begins direct provision of intrastate OHCS. Currently, if a conference call is set up containing only intraLATA legs in Pacific's territory, the customer is charged the \$3.75 per leg set-up charge and the sum of the DD rates for the initial period and each additional minute as shown in the basic Schedule 6.2.1A.4a(12). The prices that will be charged by AT&T will differ slightly. AT&T charges a \$3.75 per leg set-up charges, and the sum of the person-to-person initial period and each additional minute as shown in the AT&T Tariff Price List 6.2.1E.2.d attached hereto as Appendix C. Except for calls under 13 miles, the AT&T transport rates are lower than the Pacific rates.

17. AT&T and Pacific have agreed to work together to ensure that there will be no customer impacts from the modification of the provision of service. AT&T represents that Pacific has agreed to withdraw its intraLATA OHCS tariff to coincide with AT&T's implementation of service.

18. Because AT&T is now providing the intraLATA service, there will be no change in how the service is provided after the CPCN is granted.

19. AT&T has represented that should Pacific wish to extend the SNFA past December 31, 1990, it would agree to continue to operate thereunder.

20. IntraLATA OHCS is a necessary service to the ratepaying public and its provision directly by AT&T, which presently provides it indirectly on behalf of Pacific, will not cause an impact on the ability of Pacific to maintain their low basic rates.

21. Our decision today does not represent an opening of operator services to general competition. Nor should it be considered precedent to further extend intraLATA services by IECs prior to final resolution in I.87-11-033. The general plan proposed by D.90-08-066 in I.87-11-033 is not affected by this grant of interim authority.

22. The grant should extend only until the time of the full implementation of intraLATA competition under I.87-11-033. At that time, AT&T must file to modify the grant of interim authority to comply with all conditions imposed by I.87-11-033.

23. The grant of interim authority should only be as to Pacific's service area.

24. It should expire upon Pacific's entry into a new SNFA with another OHCS provider, if this occurs prior to the time the LATA is open to competition under I.87-11-033.

25. Should Pacific issue an RFP for a new OHCS provider, AT&T is instructed to bid under the RFP to resume the service under an SNFA arrangement.

26. And, should Pacific agree to extend the SNFA past the December 31, 1990 termination date, AT&T should continue to operate thereunder.

27. The decision should be effective today in order to fully implement it prior to January 1, 1991.

Conclusions of Law

1. AT&T's request for interim authority to provide intraLATA OHCS within Pacific's service territory should be granted as conditioned by the ordering paragraphs in this decision.

2. AT&T should be prohibited from holding out the availability of other intraLATA services it is not authorized to provide.

3. The effective date of AT&T's provision of intraLATA OHCS in Pacific's service territory shall be January 1, 1991, after review and approval of its tariff, as set forth in Appendix C to this decision, by the Chief of the Telecommunications Branch of CACD.

4. In order to ensure no discontinuation of service as a result of the December 31, 1990 expiration of the SNFA, this order should be effective today.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to AT&T Communications of California, Inc. (AT&T) to offer intrastate intraLATA operator-handled conference service (OHCS) inside the service territory of Pacific Bell (Pacific), effective January 1, 1991.

2. The grant of this interim authority shall not be considered precedent to further extend intraLATA services by interexchange carriers prior to final resolution in I.87-11-033.

3. This grant of interim authority is subject to the following conditions:

- a. The grant of authority shall extend only to the time of the full implementation of intraLATA competition under I.87-11-033. At that time AT&T must modify this interim authority to comply with all conditions imposed by I.87-11-033.

- b. The grant of interim authority is only as to the Pacific service territory LATA.
- c. This grant of interim authority shall expire upon Pacific's entry into a new shared network facilities agreement for intraLATA OHCS with another OHCS provider, should this occur prior to the time the LATA is open to competition under I.87-11-033.
- d. If Pacific issues a request for proposal (RFP) for a new OHCS provider, AT&T shall bid under the RFP to resume the service thereunder.
- e. Should Pacific agree to extend the SNFA past the December 31, 1990 termination date, AT&T shall continue to operate thereunder.

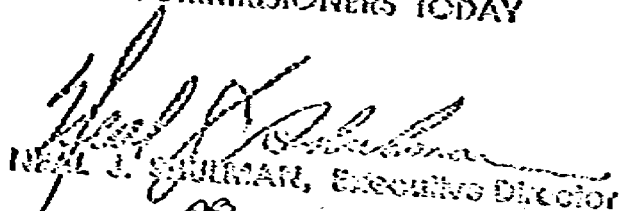
4. AT&T shall file its proposed tariff for intraLATA OHCS as soon as written approval of the tariff by the Chief of the Telecommunications Branch of the Commission Advisory and Compliance Division is obtained. AT&T may not offer this service until these tariffs are on file and effective. The tariffs shall be effective as of January 1, 1991.

This order is effective today.

Dated December 19, 1990, 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


NEAL J. SULLIVAN, Executive Director

NETWORK AND EXCHANGE SERVICES
A6. MESSAGE TELECOMMUNICATIONS SERVICE

- 6.2 STANDARD SERVICE OFFERINGS (Cont'd)
6.2.1 TWO-POINT MESSAGE TELECOMMUNICATION SERVICE (Cont'd)
A. GENERAL (Cont'd)
4. Rates and Charges (Cont'd)
a. Method of Applying Rates (Cont'd)

(12) Mileages and Corresponding Rates for Different Classes of Service

BASIC SCHEDULE	DAY RATE		
	Initial Period Station (Sent Paid)		
Rate Mileage	Dial ¹ 1-Minute	Coin ² 3-Minutes	Each Additional Minute All Classes of Service
0- 8	\$.17	\$.30	\$.07
9- 12	.17	.30	.07
13- 16	.20	.40	.10
17- 20	.22	.45	.13
21- 25	.25	.55	.16
26- 30	.28	.70	.19
31- 40	.31	.75	.22
41- 50	.34	.85	.25
51- 70	.37	.90	.28
Over 71	.40	1.00	.31

NOTE 1: In addition to the Dial Station Rate, the following service charges are applicable per message for Dial (Credit) Calling Card Station, Operator Station and Person Service:

Commercial Credit Card ³	\$0.35 (R)
Interexchange Carrier Calling/Credit Card	\$0.35
Utility's (Credit) Calling Card ⁵	\$0.35
Utility's One Number Card ^{4,5}	\$0.35
Station - other	\$0.95
Person	\$2.95 (R)

NOTE 1A: In addition to the service charges in NOTE 1, the Utility may apply (N) a Pay Station Service Charge per each non sent paid message made over a pay telephone. The rate will be set on the basis of these flexible rates range of \$.00 or \$.25. (N)

NOTE 2: In addition to the Coin Station sent-paid Rate, obtained above, the following service charges are applicable per message for Coin Station and Coin Person Service (except CCPT sent-paid):

Coin Station	\$0.20
Coin Person	\$2.95 (R)

NOTE 3: See Regulations 2.e. preceding.

NOTE 4: The One Number Card is a card with restricted calling to the billed number or account.

NOTE 5: Service Charge is discounted for subscribers of Call Bonus Wide Area Plans as specified in Schedule Cal.P.U.C. No. A6.3.4.

Continued

Pacific Bell
San Francisco, California

SCHEDULE CAL.P.U.C. NO. A6.
1st Revised Sheet 43
In Lieu of Original Sheet 43 Rejected

NETWORK AND EXCHANGE SERVICES

A6. MESSAGE TELECOMMUNICATIONS SERVICE

6.2 STANDARD SERVICE OFFERINGS (Cont'd)

6.2.3 CONFERENCE SERVICES

A. DESCRIPTION

1. General

Conference service is that of furnishing connections between three to six (or more where practicable as set forth in D. following) main stations or private branch exchanges or combinations thereof, one connection at the same time.

3. REGULATIONS

1. Conference service is furnished to:

- a. Land telephones, or
- b. Ships, aircraft or other stations served through a land radiotelephone station listed in Schedule Cal.P.U.C. No. A6.2.1.D. where such land stations and their respective rate centers are located in the State of California and where such ships or aircraft are located as described Territory in Schedule Cal.P.U.C. No. A6.2.1.D. Territory, or
- c. Any combination of a. and b. above, and where the connection is handled exclusively by the Utility or handled jointly by the Utility and other companies connecting with the lines of the Utility.

2. Conditions Under Which Service is Furnished

- a. Service is furnished where and to the extent that facilities permit.
- b. All main stations or private branch exchanges on a conference connection may be so interconnected that each may communicate with all the others, or arrangements may be made whereby one station will be the transmitting station and all other receiving stations.
- c. One class of service only is offered whether the call is to specified persons or specified telephones.
- d. The Utility, upon request, will attempt to arrange for the establishment of a conference connection at a specified time.

Continued

Advice Letter No. 14889
Decision No.

Issued by
Robert B. Roche
Executive Director - State Regulatory

Date Filed: MAR 4 1985
Effective: APR 18 1985
Resolution No. T10914

NETWORK AND EXCHANGE SERVICES**A6. MESSAGE TELECOMMUNICATIONS SERVICE****§.2 STANDARD SERVICE OFFERINGS (Cont'd)****§.2.3 CONFERENCE SERVICES (Cont'd)****C. TERRITORY**

Between two points within a LATA where the respective rate centers of such points also are located in said LATA. Also, see B.1. preceding.

D. RATES AND CHARGES

1. The sum of the directly distance (DDD) rates for the initial period and each additional minute as shown in the Basic Schedule of 4.a.(12) preceding, will apply.
2. In addition to the Basic Schedule rates, an operator service charge of \$3.75 for each conference leg is applicable.
3. Rate Periods and Discounts as shown in 4.a.(4) preceding will apply. For messages which overlap one or more rate period boundaries, the rate in effect in each rate period applies to the portion of the message occurring in that rate period.
 - Fractional cents are dropped.
 - Discounts do not apply to the operator, person, or coin service charges as shown in 4.a.(12) preceding.

Continued

Advice Letter No. **14889**
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Issued by
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Executive Director - State Regulatory

Date Filed: **MAR 4 1985**
Effective: **APR 18 1985**
Resolution No. **T10914**

NETWORK AND EXCHANGE SERVICES

A6. MESSAGE TELECOMMUNICATIONS SERVICE

6.2 STANDARD SERVICE OFFERINGS (Cont'd)

6.2.3 CONFERENCE SERVICES (Cont'd)

D. RATES AND CHARGES (Cont'd)

4. Reversal of Charges (Collect Calls)

Charges for conference calls may, upon request, be reversed provided:

- a. The total charge will be billed against one called station.
- b. The charge is accepted at the designated station.

5. Timing of Messages

- a. Chargeable time begins when connection is established between all persons on the conference and ends when the connection is terminated at the originating station, except as provided in b. below.
- b. When the originating customer request that a station or stations be added to or disconnected from a conference call on which conversation is in progress, it is considered as terminating the call and initiating a new call to the revised group of stations.
- c. Chargeable time does not include time lost because of faults or defects in the service.

6. Initial and Additional Periods

- a. Conference rates are quoted in terms of initial and additional periods.
 - (1) The initial period is the interval of time allowed at the rate quoted for a conference connection between given points. The initial period is one minute or any fraction thereof.
 - (2) The additional period is the unit of time used for measuring the chargeable time in excess of the initial period. The additional period is one minute or any fraction thereof.

Advice Letter No.
Decision No.

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Issued by
Robert B. Roche
Executive Director - State Regulatory

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Resolution No. T10914

(END OF APPENDIX A)

TYPICAL INTRALATA OPERATOR HANDLED CONFERENCE CALL

A.90-08-038

APPENDIX B

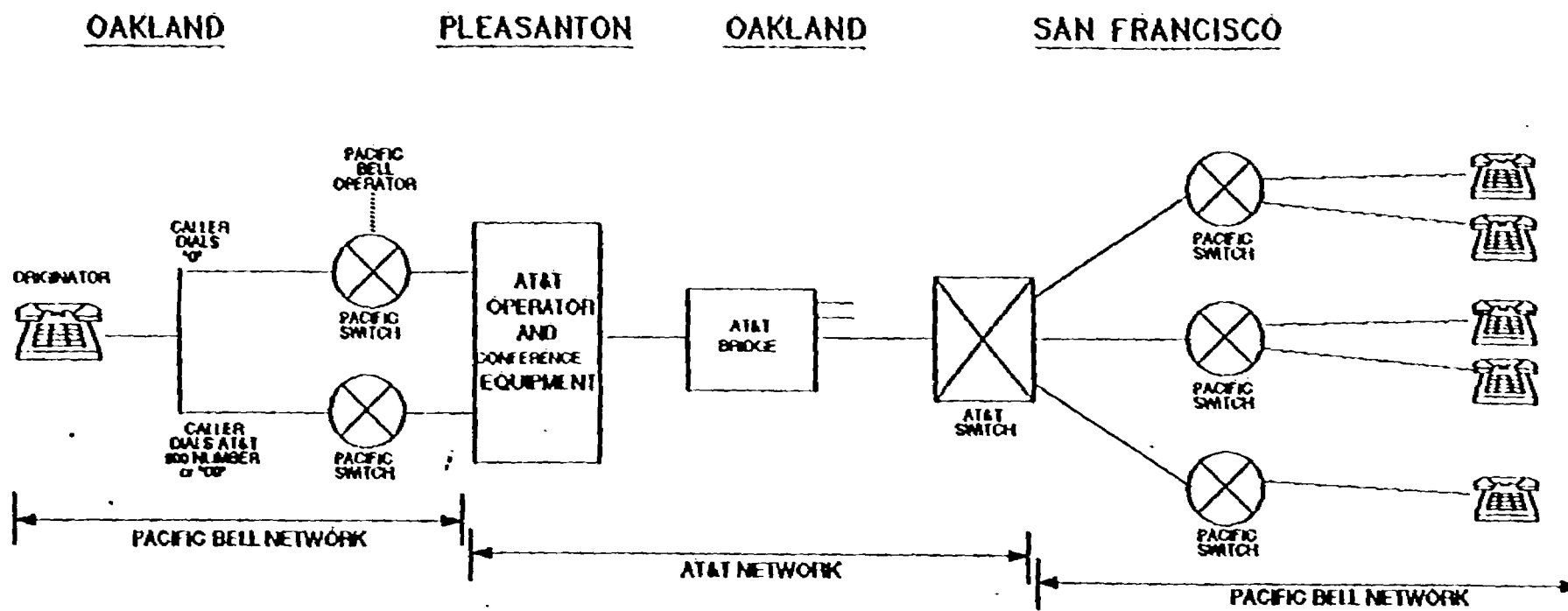


FIGURE 1

Network Services Tariff

A6. MESSAGE TELECOMMUNICATION SERVICE

c. Operator Station

Rate Mileage	<u>DAY</u>		<u>EVENING</u>		<u>NIGHT/WEEKEND</u>	
	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute
0-20	\$0.1500	\$0.0900	\$0.1200	\$0.0720	\$0.0900	\$0.0540 (R)
21-40	0.2100	0.1400	0.1680	0.1120	0.1260	0.0840
41-70	0.2200	0.1500	0.1760	0.1200	0.1320	0.0900
71-100	0.2300	0.1700	0.1840	0.1360	0.1380	0.1020
101-150	0.2600	0.1700	0.2080	0.1360	0.1560	0.1020
151-330	0.2700	0.1800	0.2080	0.1520	0.1560	0.1140
331-OVER	0.3000	0.1900	0.2400	0.1600	0.1800	0.1200

d. Person-to-Person

Rate Mileage	<u>DAY</u>		<u>EVENING</u>		<u>NIGHT/WEEKEND</u>	
	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute	Initial Minute	Each Additional Minute
0-20	\$0.1500	\$0.0900	\$0.1200	\$0.0720	\$0.0900	\$0.0540
21-40	0.2100	0.1400	0.1680	0.1120	0.1260	0.0840
41-70	0.2200	0.1500	0.1760	0.1200	0.1320	0.0900
71-100	0.2300	0.1700	0.1840	0.1360	0.1380	0.1020
101-150	0.2600	0.1700	0.2080	0.1360	0.1560	0.1020
151-330	0.2700	0.1800	0.2080	0.1520	0.1560	0.1140
331-OVER	0.3000	0.1900	0.2400	0.1600	0.1800	0.1200

e. Coin Paid Station/Person-to-Person

Rate Mileage	<u>DAY</u>		<u>EVENING</u>		<u>NIGHT/WEEKEND</u>	
	Initial 3 Minute	Each Additional Minute	Initial 3 Minute	Each Additional Minute	Initial 3 Minute	Each Additional Minute
0-20	\$0.5000	\$0.0900	\$0.5000	\$0.0720	\$0.5000	\$0.0540
21-40	0.7000	0.1400	0.7000	0.1120	0.7000	0.0840
41-70	0.7500	0.1500	0.7500	0.1200	0.7500	0.0900
71-100	0.8000	0.1700	0.8000	0.1360	0.8000	0.1020
101-150	0.8500	0.1700	0.8500	0.1360	0.8500	0.1020
151-330	0.9000	0.1800	0.9000	0.1440	0.9000	0.1080
331-OVER	0.9500	0.1900	0.9500	0.1520	0.9500	0.1140 (R)

Continued

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Effective:

Network Services Tariff

A6. MESSAGE TELECOMMUNICATION SERVICE

Schedule
LocationRate Element

6.2.1,E.3.

Service ChargesType of MessageService
Charge

- AT&T Card	\$.53
- Commercial Credit Card	.53
- Local Exchange Utility Calling Card	.53
- Operator Handled Station	1.05
- Operator Handled Person	3.15

6.2.2,A.5.

Operator Handled Conference Service

(1)

- Per conference leg	3.75
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(1)

6.2.4,C.

Busy Line Verification/InterruptCharge Per
Occurrence

- Verify	\$ 1.15
- Interrupt	1.70

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Network Services Tariff

A6. MESSAGE TELECOMMUNICATION SERVICE

6.2 STANDARD SERVICE OFFERINGS (Cont'd)

6.2.2 CONFERENCE SERVICES

Conference service is a connection of three or more customer exchange access lines or trunks and is furnished where facilities permit.

A. OPERATOR-HANDLED CONFERENCE SERVICE

1. Operator-handled conference service provides intralata and interlata communications, handled by an operator, between a calling party and two or more called parties. The operator will attempt to arrange a conference call at a time specified by the customer. The conference call may be arranged so that all parties can communicate, or so that one party transmits and all others receive. (C)
2. Calls may be billed to the calling number, third number, or an AT&T Card or Local Exchange Utility calling card number when the caller is authorized to bill charges to such a number.
3. Timing of Messages
 - a. Chargeable time begins when connection is established between all persons on the conference and ends when the connection is terminated at the originating station, except as provided in b. below.
 - b. When the originating customer requests that a station or stations be added to or disconnected from a conference call on which conversation is in progress, it is considered as terminating the call and initiating a new call to the revised group of stations.
 - c. Chargeable time does not include time lost because of faults or defects in the service.
4. Initial and Additional Periods
 - a. Conference rates are quoted in terms of initial and additional periods.
 - (1) The initial period is the interval of time allowed at the rate quoted for a conference connection between given points. The initial period is one minute or any fraction thereof.
 - (2) The additional period is the unit of time used for measuring the chargeable time in excess of the initial period. The additional period is one minute or any fraction thereof.

Continued

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Regional Director

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Network Services Tariff

A6. MESSAGE TELECOMMUNICATION SERVICE

6.2 STANDARD SERVICE OFFERINGS (Cont'd)

6.2.2 CONFERENCE SERVICES (Cont'd)

A. OPERATOR-HANDLED CONFERENCE SERVICE (Cont'd)

5. Rates and Charges

The charge for an Operator-handled conference service call is the sum of:

- AT&T Long Distance Service Person-to-Person charges¹ for a call between the originator and each called station on the conference, and
- Service charge to each called station

Charge

- Per conference leg \$ 3.75

Note 1: See Schedule CAL. P.U.C. No. A6.2.1, E.2.d.

Continued

Advice Letter No.

(END OF APPENDIX C)

Issued by

Date Filed:

Decision No.

E. V. Forshee

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