

L/cip

Decision 91-02-023

February 6, 1991

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Alternative
Regulatory Framework for Local
Exchange Carriers.

And Related Matters.

ORIGINAL

I.87-11-033

(Filed November 25, 1987)

Application 85-01-034

Application 87-01-002

I.85-03-078

OII 84

Case 86-11-028

I.87-02-025

Case 87-07-024

ORDER MODIFYING DECISION 90-11-058
AND DENYING REHEARING

California Bankers Clearing House Association and the County of Los Angeles have filed an application for rehearing of Decision (D.) 90-11-058. We have considered all the allegations of error in the the application and are of the opinion that good cause for rehearing has not been shown.

However, in reviewing the record to address the issues raised in the rehearing application, the Commission has found a few references to evidence which are not part of the record. In particular, on page 13 of the decision, there is a discussion regarding the "great difficulty that local telephone companies would have in modifying their billing systems." Although there is no evidence in the record to support this statement, the record does contain evidence from witnesses stating the infeasibility of the adopting the bifurcated surcharges proposed by the Applicants because of accounting and reprogramming problems, and the evidence does support this basis for the Commission's adoption of an uniform surcharge for the recovery of lost revenue resulting from the elimination of Tone-Tone and expansion of local calling areas.

Accordingly, the decision will be modified to delete the reference to the "great difficulty that local telephone companies would have" This language should be replaced by a reference to the infeasibility of adopting the bifurcated surcharges, which is supported by evidence in the record. A finding of fact on this issue will also be included.

Also, on page 12, the decision states "LECs do not routinely compile the data to disaggregate their billing gases (sic) in this manner." The evidence in the record does not support this statement; thus it should be deleted.

Further, the decision will modify the language in D.90-11-058 which does not reflect fully the Commission's reasoning for imposing a uniform surcharge. On page 13, the decision states: "In large part our decision to employ the uniform surcharge is based in the great difficulty that local telephone companies would have in modifying their billing systems to provide a different surcharge to each customer class." Because the decision, in Finding of Fact Number 20, discusses the other important reasons for imposing the uniform surcharge, the phrase, "[i]n the large part," is inappropriate. Therefore, the decision will be modified to reflect fully the Commission's reasoning for adopting a uniform surcharge.

Therefore, IT IS HEREBY ORDERED that D.90-11-058 is modified as follows:

1. On pages 13-14, the following language is deleted: "In large part our decision to employ the uniform surcharge is based on the great difficulty that local telephone companies would have in modifying their billing systems to provide a different surcharge to each customer class. It is amazing, and somewhat disappointing, that their billing systems are as inflexible as described. Such inflexibility may prove to be an significant handicap to these utilities in competitive markets."

2. For purpose of clarification, the above deleted language shall be replaced with the following words: "However, we do not adopt CBCCHA/County's proposal for bifurcated

surcharges, because evidence in the record points to feasibility problems and accounting difficulties in implementing the proposal. The time spent in resolving these problems and difficulties is not warranted in this proceeding. The supplemental rate design is the proper forum."

3. New Finding of Fact number 20a. shall be added to the the decision: "20a. There are feasibility problems and accounting problems in implementing CBCHA/County's proposal for bifurcated charges."

4. On page 12, lines 25-26, the following language is deleted: "LECs do not routinely compile the data to disaggregate their billing gases [sic] in this manner."

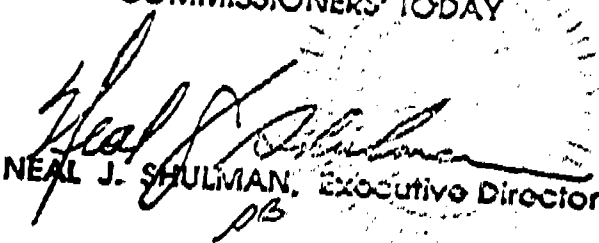
IT IS FURTHER ORDERED that rehearing of D.90-11-058, as modified herein, is hereby denied.

This order is effective today.

Dated February 6, 1991, at San Francisco, California.

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

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


NEAL J. SHULMAN, Executive Director
PB