

L/ltr

Decision 91-02-050 February 21, 1991

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
AT&T COMMUNICATIONS OF CALIFORNIA, )  
Inc. (U 5002 C) under Rule 18 for )  
a Certificate of Public Convenience )  
and Necessity for Authority to )  
Provide InterLATA AT&T MEGACOM and )  
AT&T MEGACOM 800 Service. )

**ORIGINAL**

Application 88-07-020  
(Filed July 15, 1988)

In the Matter of the Application of )  
AT&T COMMUNICATIONS OF CALIFORNIA, )  
Inc. (U 5002 C) under Rule 18 for a )  
Certificate of Public Convenience )  
and Necessity for Authority to )  
Provide AT&T PRO<sup>Sm</sup> WATS California. )

Application 88-08-051  
(Filed August 24, 1988)

In the Matter of the Application of )  
AT&T COMMUNICATIONS OF CALIFORNIA, )  
Inc. (U 5002 C) for Authority to )  
Provide Intrastate AT&T 800 )  
READYLINE Service. )

Application 89-03-046  
(Filed March 29, 1989)

**ORDER DENYING REHEARING OF DECISION 90-11-029**  
**AND CORRECTING CLERICAL ERROR**

MCI Telecommunications Corporation (MCI) and US Sprint Communications Company (Sprint) have filed applications for rehearing of Decision 90-11-029 which permanently authorizes the rates and charges for AT&T Communications of California's (AT&T-C) intrastate interLATA MEGACOM and MEGACOM 800 service, PRO WATS California service and 800 READYLINE service that were previously authorized on an interim basis by Decisions 90-04-023 and 89-06-050. Decision 90-11-029 also permits AT&T-C to establish limited regulatory rate flexibility bands for these services and conditionally adopts AT&T-C's Transport Incremental Cost Model (TICM) to determine the long-run incremental costs (LRIC) associated with READYLINE, MEGACOM and MEGACOM 800 and with other

new services. Additionally, Decision 90-11-029 permits AT&T-C to file rate increases and decreases, within the flexibility bands, on 30 days and 5 days notice, respectively. Finally, Decision 90-11-029 precludes AT&T-C from using the advice letter process to establish a rate lower than the rate of its lowest priced competitor for any similar competing service.

Sprint has failed to raise any allegation of legal error and, pursuant to our Rules of Practice and Procedure, rule 86.1, Sprint's application must be denied on procedural grounds. Rule 86.1 requires applications for rehearing to set forth specifically grounds on which the applicant considers the Commission to be erroneous and cautions applicants that vague assertions regarding the law of the record without sufficient citations may be accorded little attention. Further, not only does the "clarification" that Sprint requests us to make of Ordering Paragraph number 9 not constitute an allegation of legal error, it is superfluous in light of Ordering Paragraph number 1, as well as the decision's discussion of the issue concerning new services and thus, does not constitute a sufficient ground for rehearing of the decision. (D.90-11-029 at 42-43.) Accordingly, we shall deny Sprint's application.

We have reviewed each and every allegation of error raised by MCI and have concluded that sufficient grounds for rehearing of Decision 90-11-029 have not been shown.

Finally, we have determined that the decision requires correction of two clerical errors in Ordering Paragraph number 1.

**THEREFORE, IT IS HEREBY ORDERED that:**

1. The application for rehearing of Decision 90-11-029 filed by US Sprint Communications Company is denied.
2. The application for rehearing of Decision 90-11-029 filed by MCI Telecommunications Corporation is denied.
3. The first paragraph of Ordering Paragraph number 1 on page 63 of Decision 90-11-029 contains two punctuation errors and is hereby modified to delete the semi-colons in said paragraph and to add commas in their place, as follows:

"AT&T Communications of California (AT&T-C) (U-5002-C) is conditionally authorized to use its Transport Incremental Cost Model (TICM) to determine the Long-Run Incremental Cost (LRIC) for its new competitive telecommunications services, excepting message toll service (MTS), private line service and directory services, or any new service which is merely a "repricing" of these excepted services, subject to the following conditions:"

The Executive Director serve a copy of this order on all parties to Application No. 88-07-020, Application No. 88-08-051 and Application No. 89-03-046.

This order is effective today.

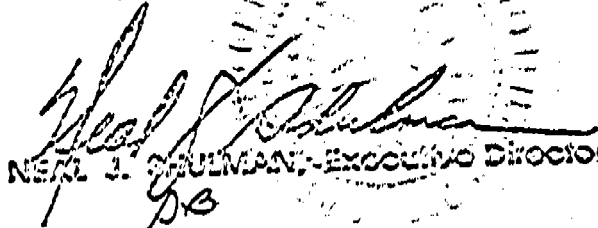
Dated February 21, 1991, at San Francisco, California.

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

I abstain.  
DANIEL WM. FESSLER  
Commissioner

I abstain.  
NORMAN D. SHUMWAY  
Commissioner

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

  
NEAL J. SCHULMAN, EXECUTIVE DIRECTOR