

ORIGINAL

Decision 82 03 113 MAR 16 1982

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
THE PACIFIC TELEPHONE AND TELEGRAPH
COMPANY, a corporation, for authority
to increase certain intrastate rates
and charges applicable to telephone
services furnished within the State
of California.

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) Application 53587
) (Filed September 19, 1972)
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And Related Matters.

(Re Tax Reserve Matters)

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) Application 51774
) Application 55214
) Case 9503
) Case 9802
) Case 9832
) Application 51904
) Application 53935
) Case 9100
) Case 9504
) Case 9578
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)
)

and

In the Matter of the Application
of THE PACIFIC TELEPHONE AND
TELEGRAPH COMPANY, a corporation,
for authority to increase certain
intrastate rates and charges
applicable to telephone services
furnished within the State of
California.

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) Application 59849
) (Filed August 1, 1980)
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And Related Matters.

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) Application 59269
) Application 59855
) Application 59858
) Application 59888
) OII 63
) OII 81
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ORDER MODIFYING DECISION
93896 AND DENYING REHEARING

Applications for rehearing of Decision 93896 have
been filed by Kenneth Cory, Controller of the State of California
and Pacific Telephone and Telegraph Company (Pacific). We have

carefully considered each allegation of error and are of the opinion that good cause for granting rehearing has not been shown. However, upon review it is concluded that D. 93896 should be modified in several respects. The refundable sum ordered in D. 93896 should be reduced to reflect adjusted figures provided by Pacific. These figures were adjusted by Pacific because some customers have been located whose drafts were previously returned as undeliverable, other customers have continued to cash the outstanding refund drafts, and there are additional outstanding drafts which have been delivered and are still uncashed. Decision 93896 should also be modified so as to include in the refund order undisbursed amounts relating to the ZUM refund. Therefore,

IT IS ORDERED that D. 93896 is modified as follows:

1. The last sentence in paragraph 1 on page 2 is deleted and the following is added:

"Pacific has also reported that it has unrefundable amounts in the amount of \$137,887 remaining from a \$25,886,740 refund order in D. 93127 relating to the ZUM program. According to Pacific, a total of \$857,810 of these three refunds represents delivered and uncashed drafts. Pacific's request to exclude these amounts from present disbursement in order to avoid customer relation problems which would result if customers continue to cash the delivered checks is granted. Excluding these funds, the total of the unrefunded refunds amounts calculated by Pacific as of January 13, 1982 is \$5,312,386 and is still accruing interest."

2. The fifth word in paragraph two on page 2 is modified to read "three".
3. The amount of \$5,984,867 in the second sentence of the third paragraph on page 2 is amended to read: "\$5,312,386".
4. Finding of Fact No. 1 is modified to state:
 - "1. As of January 13, 1982 the amount of \$5,312,386 (excluding drafts which have been delivered but uncashed) remains unrefunded from refunds ordered by Decisions 91337, 92717, and 93127."

5. Ordering Paragraph No. 1 is amended to read:

"1. The Pacific Telephone and Telegraph Co. shall refund \$5,312,386, plus interest to the date on which refunds commence at the Commercial Paper Rate (3 months prime), as ordered in Decisions 91337, 92717, and 93127 pursuant to the refund plan in Amended Appendix A."

It is also concluded that it would be inappropriate to require Pacific to make the refunds in question pending final resolution of this issue. Therefore,

IT IS FURTHER ORDERED that the stay of Ordering Paragraph No. 1 of D. 93896 is continued until further order of this Commission.

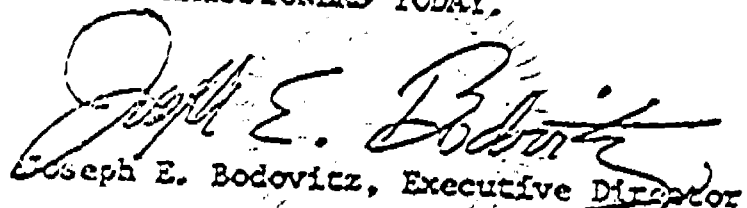
IT IS FURTHER ORDERED that rehearing of D. 93896, as modified herein, is hereby denied.

This order is effective today.

Dated MAR 16 1982, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
PRISCILLA C. CREW
Commissioners

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


Joseph E. Bodovitz, Executive Director

A.53587, et al.
A.59849, et al.

AMENDED
APPENDIX A

THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY
REFUND PLAN FOR UNDISBURSED AMOUNTS FROM
CPUC DECISIONS 91337, 92717 and 93127

A. Refund Distribution

The refund amount will be distributed to all current customers with exchange service on an equitable pro rata basis. For the purpose of this refund current customers are those receiving service on and a minimum of one month prior to the refund distribution date.

B. Refund Calculation

1. Total Refund: \$5,312,386 plus interest as ordered by Decision 82 03, 113

2. Individual refunds will be calculated as follows:

$$\text{Individual Refund} = \frac{\text{Total Refund}}{\text{Total Eligible Customer Accounts}}$$

C. Manner of Refund

All refunds will be made by credits on the bill.

D. Timing

Refunds will commence within 90 days of a refund order approving this plan with the refunds to be complete within one billing cycle thereafter.

E. Reporting Requirements

Pacific will file a report with the Commission within 90 days of completion of the refunds. The report will contain the following information:

1. The total refundable amount due customers.
2. The total amount credited to customers.
3. The total amount which remains undisbursed (1-2).