

Decision SZ OS 012 AUG 4 - 1982

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

LOIS J. GILLHAM & STEVEN L.)
 GILLHAM,)
)
 Complainants,)
)
 v)
)
 THE PONDEROSA TELEPHONE CO.,)
)
 Defendant.)

Case 11016
(Filed November 16, 1981)

Steve and Lois Gillham, for themselves, complainants.
Pelavin, Norberg, Harlick & Beck, by William R.
Haerle, Attorney at Law, for The Ponderosa
Telephone Company, defendant.

O P I N I O N

This is a complaint by Lois Jane Gillham and Steven Lee Gillham (Gillhams) against The Ponderosa Telephone Company (Ponderosa). The Gillhams seek an order requiring Ponderosa to provide Optional Calling Measured Service (OCMS) and Foreign Exchange Service (FEX) from its Auberry exchange. The Gillhams also complain of unsatisfactory service.

A duly noticed public hearing was held in this proceeding before Administrative Law Judge Donald B. Jarvis in Fresno on February 23, 1982. The matter was submitted subject to the filing of transcript which was docketed on March 5, 1982.

Material Issues

The material issues in this proceeding are: (1) Should Ponderosa be ordered to provide OCMS and/or FEX in its Auberry

exchange? (2) Should an order be made dealing with the service provided by Ponderosa in its Auberry exchange?

Contentions of the Parties

A. Contentions of the Gillhams

The Gillhams contend that their telephone bills are extraordinarily high because most of their telephone calls are toll or long-distance calls. Mrs. Gillham has a heart-valve condition. Her doctors are in the Fresno-Clovis area. The Pacific Telephone and Telegraph Company (PT&T) provides telephone service in the Fresno-Clovis area. It is necessary to make a toll call in order to contact one of her doctors. There is only one pharmacy in Auberry which closes at 5 p.m. Some doctors will not make toll calls in order to telephone a prescription to that pharmacy. Other doctors telephone prescriptions at the end of the day (after 6 p.m.) when the Auberry pharmacy is closed. As a result, it is necessary for Mrs. Gillham to have prescriptions filled by pharmacies in the Fresno-Clovis area, which is approximately 25 miles away. The drive takes about 45 minutes each way by car.

Mr. Gillham belongs to a union whose hiring hall is in Fresno. He must make toll calls to the union hall to determine if work is available. The Gillhams' daughter attends Fresno State University and has a parttime job in Fresno. It requires a toll call for her to contact the school or place of employment.

As part of the relief requested, the Gillhams seek an order requiring Ponderosa to provide OCMS service in its Auberry exchange and to require Ponderosa to provide FEX service to the pharmacy in Auberry.

The Gillhams also complain about the quality of telephone service provided by Ponderosa. These complaints relate to the inability to call or get incoming calls because of busy circuits, weekend repair service problems, interruption of service, and indifference to customer communications by Ponderosa personnel.

The Gillhams called as witnesses nine other telephone subscribers in the Auberry exchange. In general, these witnesses favored having OCMS and/or FEX in the Auberry exchange. They testified about high telephone bills because of the need to make toll calls for medical, business, and personal reasons to the Fresno-Clovis area. They corroborated complaints about service.

B. Contentions of Ponderosa

Ponderosa opposes instituting OCMS in the Auberry exchange. Ponderosa contends that the Gillhams, and others supporting OCMS, rely upon the OCMS provided by PT&T as a model, and they do not have correct facts about the rate structure of that model.

Ponderosa argues that it has no tariff provisions which would permit FEX for business customers. It opposes such provisions for the same economic reasons it opposes OCMS. Ponderosa asserts that the Gillhams qualify for FEX as residential customers. However, Section A-12(13) of Ponderosa's tariff provides that in impractical or unjust circumstances questions of whether the tariff should be applied may be referred to the Commission. The cost of labor, materials, and equipment to provide that service would be \$36,984 and the monthly charge for that service would be \$7. Ponderosa opposes an order requiring it to furnish FEX to the Gillhams because of the financial burden it would place on other customers.

Ponderosa contends that some of the service complaints were due to matters beyond its control. Others were due to a cutover of trunk lines which is completed. Ponderosa argues that its procedures for handling service complaints on weekends is adequate.

Discussion

The Gillhams introduced in evidence copies of their telephone bills to support their position. A summary of the bills is as follows:

<u>Month</u>	<u>Number of Calls From Auberry Exchange to Fresno- Clovis Area</u>	<u>Charges for Calls</u>
9/81	45	\$22.72
10/81	62	29.87
11/81	72	47.29
12/81	84	31.18
1/82	76	41.30

Bills received by other customers were also received in evidence. A random sampling of 10 of those bills is as follows:

<u>Month</u>	<u>Number of Calls From Auberry Exchange to Fresno- Clovis Area</u>	<u>Charges for Calls</u>
4/81	15	\$11.75
8/81	51	21.66
10/81	32	14.12
5/81	18	9.49
8/81	54	27.23
1/81	45	23.35
3/81	21	19.56
12/81	9	3.72
12/81	26	20.08
11/81	43	27.07

The Gillhams argue that OCMS and/or FEX should be ordered to reduce the costs of telephoning from the Auberry exchange to the Fresno-Clovis area.

A.. OCMS

The Gillhams based their request for OCMS on their understanding of PT&T's tariff provisions for that service. Mrs. Gillham testified that she understood that PT&T tariff provided for one hour of toll calls per day, Monday through Friday, at a monthly rate from \$2.25 to \$4.50, and two hours a day at a monthly rate of \$4.50 to \$9.00. Ponderosa contends that the PT&T tariff establishes the cited rates for one or two hours per month, not per day.

The Commission takes official notice that the PT&T OCMS tariff which was accepted by the Commission has become the standard for OCMS tariffs of other California telephone companies. That tariff allows single-party residence customers to subscribe to one-, two-, or three-hour calling per month on weekdays between 8 a.m. to 8 p.m. and unlimited free calling during other hours and on weekends for numbers outside their exchange areas.

It is evident from testimony and sample bills in the record that there is substantial customer support for the sort of service which OCMS is designed to provide. While the Gillhams' understanding of the precise rates and conditions under which OCMS would be offered may not be totally correct, they understand it well enough to realize that it offers substantial relief from the burdensome charges they are presently incurring.

During the hearing, Ponderosa's general manager testified that the company was in the process of studying the impact OCMS would have on revenues if it were instituted in the Auberry exchange. The ensuing order will require that a copy of the study be furnished to the Commission staff. If the study has not been completed, the order will also require it to be finished within a reasonable time.

B. FEX

Under FEX, the subscriber's telephone service carries a number from the distant (foreign) exchange and all calls to or from that service are charged as though it were physically located in the distant exchange. One item of specific relief requested in the complaint was an order requiring Ponderosa to provide FEX service for the local pharmacy in Auberry. At the hearing, some witnesses called by the Gillhams asked for FEX service for all business establishments in the Auberry exchange.

Ponderosa does not presently offer FEX to business customers in the Auberry exchange, nor does it wish to. While we can understand why the Gillhams and others would want their local pharmacy and other businesses to have such a service, the present record does not support a conclusion that there is high demand for FEX from businesses themselves. Additionally, there is no evidence as to the cost of providing FEX to the business community in Auberry.

As for Ponderosa's contention that FEX could be provided under the present tariffs to the Gillhams at a cost of \$36,984, the formal complaint does not request that FEX be provided to the Gillhams, only to the local pharmacy. We believe that the Gillhams' needs would be better served by OCMS, if that service could be reasonably provided.

Considering the above discussion, we are not inclined to make any order revising the present FEX tariffs of Ponderosa.

C. Service Complaints

The Auberry exchange is in a rural area. Many of the houses are one to two miles apart. If an outage or other service problem occurs it is necessary to walk or drive to a neighbor's house in order to report the problem. With this in mind, we consider the complaints about service.

1. Indifference or Arrogance of Ponderosa Personnel

The evidence indicates incidents where Ponderosa's personnel have failed to respond to communications from customers or have not acted expeditiously in dealing with service problems.

On one occasion a Ponderosa employee was sent to check whether customers had new bell ringing systems in their telephones. He was instructed that if a customer was not at home to remove the fuses from the outside service boxes thereby disabling the telephone. Thus, the customer would be forced to complain about the outage and the Ponderosa representative would restore service and check the bell. This type of operating practice is unacceptable and will not be countenanced.

This is not the first occasion in which customers have complained of cavalier treatment by Ponderosa personnel. (Decision 82-03-015 in Case 10976, Finding 2.) The responsibility for the conduct of its employees rests with Ponderosa. The ensuing order will require Ponderosa to instruct its employees to properly handle customer complaints and service requests and to notify all customers that this has been done.

2. Busy Circuits and Outages

There was evidence that on occasions circuits were busy so customers could not make or receive telephone calls. Ponderosa's general manager testified that the company had been converting the Auberry exchange to a Traffic Service Position System (TSPS). Ponderosa has 12 operator trunk lines which connect to PT&T's Fresno system. During the conversion to TSPS it was necessary to remove six of the operator trunk lines from service. The result has been a temporary increase in busy circuits. The TSPS conversion, scheduled to be completed by March 1982, would eliminate the problem of busy circuits. No action is required on this point.

Incidents dealing with outages have no common pattern. The bell checking incident has been discussed. Another incident, which occurred on a Sunday, which was caused by an equipment failure was not detected because PT&T personnel in Fresno were not manning a 17-C board and Ponderosa was not notified of the failure which was indicated on the 17-C board.

The Commission is of the opinion that no useful purpose would be served by attempting to issue an order dealing with outages. Since outages occur for different reasons, the problem is one of expeditious repair when the outage is reported or discovered. This problem is addressed in other parts of the decision.

3. Weekend Repair Service

A specific item of complaint is that Ponderosa has no personnel on weekend duty to receive service complaints. It uses a recording device which is periodically checked.

The use of a recording device is more economical than having personnel on duty to receive service complaints on weekends. There is no evidence that weekend service complaints are so numerous as to require Ponderosa to pay the salary of employees to be on duty just for that purpose.

The effectiveness of weekend repairs during daylight hours depends on how often the recording device is monitored. Ponderosa contends that it monitors the device three or four times between 8 a.m. and 5 p.m. If this is actually done it would appear to be sufficient. The Commission will require Ponderosa to maintain a monitoring log to ascertain how frequently it checks the recording device.

Ponderosa does not check the recording device on weekends after 5 p.m. Personnel in the PT&T Fresno office have available emergency numbers at which Ponderosa employees can be contacted if an emergency occurs after 5 p.m. Ponderosa customers are generally unaware of this procedure. The Commission will require Ponderosa to inform its customers that weekend evening service emergencies can be reported through PT&T's Fresno office or provide local numbers at which Ponderosa employees can be contacted.

Findings of Fact

1. Ponderosa has been conducting a study of the economic impact of instituting OCMS in its Auberry exchange. If the study has not been completed, it is reasonable to require completion within 30 days. It is reasonable to require Ponderosa to serve a copy of the completed study on the Commission staff.

2. Ponderosa presently offers FEX to its residential customers on the Auberry exchange. It does not presently offer FEX to its business customers in the Auberry exchange. The evidence in this record does not support a change in Ponderosa's existing FEX tariff.

3. The Auberry exchange is located in rural area. Many of the houses are one to two miles apart. If an outage or other service problem occurs, it is necessary to walk or drive to a neighbor's house in order to report the problem. ✓

4. On various occasions Ponderosa's personnel have failed to respond to communications from its customers or have not acted expeditiously in dealing with service problems. It is reasonable to require Ponderosa to instruct its personnel to properly handle customer complaints and service requests and to notify all customers that such instructions have been given.

5. In the period prior to the hearing there were various occasions when circuits were busy so customers could not make or receive telephone calls. During this time Ponderosa was converting the Auberry exchange to TSPS. Ponderosa has 12 operator trunk lines which connect to PT&T's Fresno system. During the conversion to TSPS it was necessary to remove six of the operator trunk lines from service. The result has been a temporary increase in busy circuits. The TSPS conversion, scheduled to be completed by March 1982, would eliminate the problem of busy circuits.

6. Ponderosa has no personnel on weekend duty to receive service complaints. It uses a recording device to receive these complaints. Under Ponderosa's procedures the recording device is supposed to be monitored when it is in use three or four times between 8 a.m. and 5 p.m. If Ponderosa actually follows this operating practice it is more economical than having personnel on duty to receive weekend service complaints and is appropriate. It is reasonable to require Ponderosa to maintain a monitoring log to ascertain how frequently it checks the recording device.

7. Ponderosa does not check the recording device on weekends after 5 p.m. Personnel in the PT&T's Fresno office have available emergency numbers at which Ponderosa employees can be contacted if an emergency occurs after 5 p.m. Ponderosa customers are generally unaware of this procedure. It is reasonable to require Ponderosa to inform its customers that weekend evening service emergencies can be reported through PT&T's Fresno office or provide local numbers at which Ponderosa employees may be contacted, and to list emergency numbers in its published directory.

Conclusions of Law

1. Ponderosa should be ordered to serve a copy of the study it is conducting of the economic impact of instituting OCMS in the Auberry exchange on the Commission staff.

2. The Commission should not order Ponderosa to change its present FEX tariff at this time.

3. Ponderosa should be ordered to instruct its personnel to properly handle customer complaints and service requests and to notify its customers that such instructions have been given.

4. Ponderosa should be ordered to maintain a monitoring log for a period of one year with entries showing the times at which the service complaint recording device is monitored and the person who monitored it.

4. Ponderosa should be required to notify its customers that weekend evening service emergencies can be reported through PT&T's Fresno office or provide a local number at which Ponderosa employees may be contacted. The emergency number should be listed in the next phone directory published by Ponderosa.

O R D E R

IT IS ORDERED that:

1. Within 30 days after the effective date of this order Ponderosa shall instruct all of its personnel in the Auberry exchange to properly handle customer complaints and service requests. Within 60 days after the effective date of this order Ponderosa shall notify, in writing, each customer in the Auberry exchange that such instructions have been given.

2. Within 60 days after the effective date of this order Ponderosa shall notify, in writing, each customer that weekend evening service emergencies can be reported through PT&T's Fresno office or provide a local number at which Ponderosa employees may be contacted. Ponderosa shall list its emergency service number in its next published directory.

3. The notices mandated in Ordering Paragraphs 1 and 2 may be made by letter or bill insert.

4. Within 30 days after the effective date of this order Ponderosa shall serve upon the Commission's Communications Division a copy of its study on the economic impact of instituting OCMS in the Auberry exchange. If the study has not been completed Ponderosa shall complete it within 60 days after the effective date of this order and serve a copy of it on the Commission's Communications Division within 10 days thereafter.

5. Commencing with the effective date of this order Ponderosa shall establish and maintain a monitoring log showing the times at which the service complaint recording device is monitored and the person who monitored it. The log shall be kept for a period of one year and retained for a period of three years.

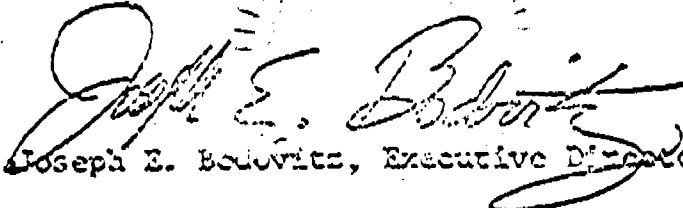
6. Except as provided in this order, the relief requested in the complaint is denied.

This order becomes effective 30 days from today.

Dated AUG 4 1982, at San Francisco, California.

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

JOHN E. BRYSON
President
LEONARD M. GRIMES, JR.
VICTOR CALVO
PRISCILLA C. GREW
COMMISSIONERS


Joseph E. Bolovitz, Executive Director

Commissioner Richard D. Gravelle, being necessarily absent, did not participate in the disposition of this proceeding.

JB

Findings of Fact

1. Ponderosa has been conducting a study of the economic impact of instituting OCMS in its Auberry exchange. If the study has not been completed, it is reasonable to require completion within 30 days. It is reasonable to require Ponderosa to serve a copy of the completed study on the Commission staff.

2. Ponderosa presently offers FEX to its residential customers on the Auberry exchange. It does not presently offer FEX to its business customers in the Auberry exchange. The evidence in this record does not support a change in Ponderosa's existing FEX tariff.

3. The Auberry exchange is located in rural area. Many of the houses are one to two miles apart. If an outage or other service problem occurs, it is necessary to walk to a neighbor's house in order to report the problem.

4. On various occasions Ponderosa's personnel have failed to respond to communications from its customers or have not acted expeditiously in dealing with service problems. It is reasonable to require Ponderosa to instruct its personnel to properly handle customer complaints and service requests and to notify all customers that such instructions have been given.

5. In the period prior to the hearing there were various occasions when circuits were busy so customers could not make or receive telephone calls. During this time Ponderosa was converting the Auberry exchange to TSPS. Ponderosa has 12 operator trunk lines which connect to PT&T's Fresno system. During the conversion to TSPS it was necessary to remove six of the operator trunk lines from service. The result has been a temporary increase in busy circuits. The TSPS conversion, scheduled to be completed by March 1982, would eliminate the problem of busy circuits.

6. Ponderosa has no personnel on weekend duty to receive service complaints. It uses a recording device to receive these complaints. Under Ponderosa's procedures the recording device is supposed to be monitored when it is in use three or four times between 8 a.m. and 5 p.m. If Ponderosa actually follows this operating practice it is more economical than having personnel on duty to receive weekend service complaints and is appropriate. It is reasonable to require Ponderosa to maintain a monitoring log to ascertain how frequently it checks the recording device.