Decision No. 87579 July 12, 1977 ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

FRANCES A. GRUNDY, individually and doing business as Bakersfield Telephone Exchange, Complainant, vs. PACIFIC TELEPHONE & TELEGRAPH COMPANY, a corporation, Defendant.	Case No. 10102 (Filed May 24, 1976)

Jere N. Sullivan, Attorney at Law, for complainant.
Noreh S. Freitas, Attorney at Law, for defendant.

SUPPLEMENTAL OPINION

Decision No. 86716 dated December 7, 1976 ordered that: "1. Within thirty days after the effective date of this order, defendant The Pacific Telephone and Telegraph Company shall reimburse the complainant Frances A. Grundy, dba Bakersfield Telephone Exchange, the difference between $13,312 and three-fourths of the estimated difference between the cost of the underground facilities in question and the equivalent aerial facilities." The derivation of the specific sum to effect compliance with this ordering paragraph is a subject of disagreement between defendant and complainant. Consequently, pursuant to an Examiner's Ruling dated April 18, 1977, the matter was reopened for the sole

purpose of determining the amount owed complainant by defendant and was resubmitted upon the receipt of concurrent letter briefs due May 17, 1977.

By letter dated March 7, 1977, The Pacific Telephone and Telegraph Company (Pacific) forwarded a check for $4,055.50 as payment for the amount computed by Pacific to be due Bakersfield Telephone Exchange (Exchange). By letter dated March 10, 1977 the check was returned to Pacific by Exchange's attorney with the allegation that the amount due was $12,689.50 rather than $4,055.50. The $12,689.50 figure was derived from subtracting from the alleged cost of underground facilities of $1,800 set forth in Finding 7[1] Pacific's estimate of the cost of the equivalent overhead facilities of $970,[2] and multiplying the resulting difference of $830 by three-fourths to yield $622.50. Subtracting this amount from the $13,312[3] paid by Exchange to a contractor for the installation of the underground facilities results in the $12,689.50 figure Exchange claims is owed it.

1/ "7. The cost of the conduit for the installation was $1,800."

2/ Accepted by Exchange.

3/ Accepted by Pacific as the cost of the underground facilities.

Pacific sets forth the derivation of the alleged amount owed of $4,055.50 as follows: From the cost of constructing the underground facility of $13,312 as paid by Exchange was deducted the estimated cost of equivalent overhead facilities of $970 leaving $12,342. Three-fourths of this amount is $9,256.50 which deducted from the $13,312 paid by Exchange for the facilities is $4,055.50.

The disagreement centers about the correct cost of the underground facility. The $1,800 figure quoted from Finding 7 by Exchange relates only to the cost of the conduit and does not include the related conduit installation costs required to complete the underground structure. We will adopt Exchange's paid-out cost of $13,312 as the cost of the underground facility, Pacific's estimate of the cost of equivalent overhead facilities of $970, and Pacific's computations of the $4,055.50 as the amount owed Exchange in compliance with Decision No. 86716.

Findings

1. The cost of the underground facilities involved in this matter is $13,312, including the cost of the required conduit of $1,800.

2. The cost of the equivalent overhead facilities is estimated to be $970.

3. The amount owed complainant, Frances A. Grundy, dba Bakersfield Telephone Exchange, by defendant, The Pacific Telephone and Telegraph Company, to effect full compliance with Ordering Paragraph 1 of Decision No. 86716 is $4,055.50.

The Commission concludes that defendant should forward complainant $4,055.50 to effect compliance with Ordering Paragraph 1 of Decision No. 86716.

SUPPLEMENTAL ORDER

IT IS ORDERED that within thirty days of the effective date of this order, defendant, The Pacific Telephone and Telegraph Company, shall reimburse the complainant, Frances A. Grundy, dba Bakersfield Telephone Exchange, the difference between $13,312 and three-fourths of the estimated difference between the cost

of the underground facilities in question and the equivalent aerial facilities, such amount being $4,055.50.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 12th day of JULY, 1977.

Robert Batinovich
President
William Symons Jr.
Vernon L. Sharp
Richard D. Gravelle
Commissioners

Commissioner CLAIRE T. DEDRICK did not participate in the disposition of this proceeding.