

ORIGINAL

Decision No. 87873

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 telephone service rate increases to cover increased costs in providing telephone service.

) Application No. 55492  
) (Filed February 13, 1975;  
) amended April 19, 1975  
) and January 16, 1976)

Investigation on the Commission's own motion into the rates, tolls, rules, charges, operations, costs, separations, inter-company settlements, contracts, service, and facilities of THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY a California corporation; and of all the telephone corporations listed in Appendix A of the investigation.

) Case No. 10001  
) (Filed November 12, 1975)

ADDITIONAL APPEARANCES

Richard Siegfried and Terry Trantina,  
Attorneys at Law, for The Pacific Telephone and Telegraph Company, applicant and respondent.  
John C. Gamboa, for Los Padrinos, Inc., interested party.

O P I N I O N

On February 3, 1977 this Commission published a notice of hearing stating that The Pacific Telephone and Telegraph Company's (Pacific) employment practices with respect to guidelines of the United States Equal Employment Opportunities Commission (EEOC) and the California Fair Employment Practices Commission (FEPC) would be considered at a hearing commencing on March 29, 1977. The Commission expected evidence on this issue to be presented by Pacific which would cover at least the following:

- (1) Present hiring and promotion practices with respect to women and minorities.
- (2) A year-by-year breakdown of the percent of new hirings and promotions of women and minorities over the past three years on the basis of:
  - (a) Geographical regions.
  - (b) Entire company.
  - (c) Operational departments (e.g. traffic, maintenance, and commercial).
  - (d) All levels of management classifications.
- (3) Copies of all correspondence between Pacific, EEOC, and FEPC concerning employment guidelines and Pacific's compliance for the past two years.

On February 25, 1977 Pacific filed a petition requesting that the hearings regarding the affirmative action issue be postponed for a period of not less than ninety days. The petition was denied by the presiding Administrative Law Judge in his ruling issued March 7, 1977.

On March 18, 1977, Pacific filed a "Motion To Dismiss" on the ground that the stated purpose of that hearing (to examine certain of Pacific's employment practices) is a purpose clearly beyond the Commission's subject matter jurisdiction.

The staff, on March 23, 1977 filed a "RESPONSE OF THE COMMISSION STAFF TO THE 'MOTION TO DISMISS' MADE BY THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY ('PACIFIC')". The staff urged that Pacific's motion be summarily denied.

Subsequently, the matter was heard before ALJ Gillanders on March 29 and April 26, 1977 at San Francisco. Testimony was presented by a member of the public and by Pacific's Equal Opportunity Compliance Director. At the hearing, Pacific through its witness' testimony and exhibits and by its responses to cross-examination questions completely answered the three items set forth in the notice of hearing.

At the close of the hearing, staff counsel stated that on April 12, 1977 the Commission instituted Case No. 10308, dealing with the matter of employment practices and discrimination, et cetera, with respect to all utilities in the State of California, including the respondents in this proceeding.

He therefore moved that the affirmative action phase of Application No. 55492 be incorporated into Case No. 10308 and any order that the Commission wishes to make in its ultimate judgment, with respect to the record made on March 29 and April 26 would best be made in that proceeding rather than Application No. 55492. The motion was taken under submission by the presiding officer and the affirmative action phase submitted.

We agree with staff counsel. In order to avoid possible duplication and conflicting decisions regarding different utilities, we will terminate the affirmative action phase of Application No. 55492 and incorporate the record so far made into Case No. 10308.

Certain ratemaking adjustments were proposed by the staff based on affirmative action litigation defense and consent decree settlement expense in the course of presenting its results of operations showing. Those issues remain for consideration in this proceeding because they are interwoven with the revenue requirement question.

O R D E R

IT IS ORDERED that the affirmative action phase of Application No. 55492 is hereby terminated and the record so far developed is incorporated into Case No. 10308.

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

Dated at San Francisco, California, this 20th day of SEPTEMBER, 1977.

*I concur.*

*William Lyons, Jr.*

*Robert B. ...*  
President

*Vernon L. Sturgeon*

*Richard D. ...*

*Clair J. ...*  
Commissioners

*I concur in part and dissent in part.*

*I concur in the dismissal of A.55492 and dissent to incorporating the substance into C.10308 because this commission has no jurisdiction in the matter of hiring practices*

*Vernon L. Sturgeon*