

ORIGINAL

Decision No. 88426 JAN 31 1978

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation on)
 the Commission's own motion into the)
 requirements for bilingual services) Case No. 9976
 to be provided to non-English speaking) (Filed September 23, 1975)
 persons by telephone utilities in the)
 State of California.)

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 and J. Richard Mathews, for Continental
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 Telephone Exchange and Redwood Empire
 Telephone Company; A. M. Hart, H. R.
Snyder and M. L. Sullivan, by Mary L.
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 Telephone Company of California and
 Western California Telephone Company;
B. H. Walling, Jr., Attorney at Law,
 and Milton J. Morris, Attorney at Law,
 for Pacific Telephone and Telegraph
 Company; and Cooper, White and Cooper, by
John M. Ross, for Roseville Telephone
 Co., respondents.

Robert G. Ryan, for Senator Alex P. Garcia;
Ricardo A. Callejo, Attorney at Law, for
 Spanish Speaking Surnamed Political
 Association, Inc., and Spanish Speaking
 Research and Development; Robert W.
Russell, Manuel Kroman, and Kenneth P.
Wolford, for Department of Public
 Utilities & Transportation, City of
 Los Angeles; Neal C. Hasbrook, for
 California Independent Telephone
 Association; Mario Evangelista, Felix
Gutierrez, and María Elena Yepes, for
 themselves; Jose Angel Rodriguez,
 Attorney at Law, for California Rural
 Legal Assistance; and Manuel R. De Ortega,
 for Individual and Spanish Speaking
 Professors and Students; interested
 parties.

Christopher E. Hamilton, Attorney at Law,
 for Mexicanos Unidos, intervenor.

Lionel B. Wilson, Attorney at Law, and
Stephen Pepler, for the Commission
 staff.

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APPENDIX A

[Faint, mostly illegible text in the Appendix section, including what appears to be a list of names and possibly a table of data.]

INTERIM OPINION

I. STATEMENT OF THE CASE

This is an investigation on the Commission's own motion to develop a record on the requirements for bilingual telephone service, to provide an opportunity for all parties interested in such matters to appear before the Commission to make their views known, and to determine whether the rules, regulations, practices, operations, and services, or any of them, of all telephone companies operating within California are unjust or unreasonable with respect to services provided to non-English-speaking persons, and to determine the need for bilingual services by the respondent telephone utilities.

The investigation was instituted pursuant to Senate Concurrent Resolution No. 36 (SCR 36) adopted by the California Legislature August 14, 1975, attached hereto as Appendix A.^{1/}

The Commission's Order Instituting Investigation (OII) was sent to 28 telephone utility companies and it directed each to file a report within ninety days providing the information required by Item 7 of Appendix A to the extent that such requirements were applicable within the telephone utility companies' respective jurisdictions.

On September 23, 1975, the Commission sent a press release consisting of more than two pages to 64 foreign-language publications, 35 Spanish language radio stations, and many newspapers, news services, and other persons and organizations in California (Exhibit 42) informing the recipients of the nature of the OII.

^{1/} The time for filing the Commission report with the Legislature was extended from August 13, 1976 to July 1, 1977 (Exhibit 68), to October 1, 1977, then to February 1, 1978. (Letters to Senator Garcia from Senate Rules Committee dated December 9, 1976, February 23, 1977, and October 5, 1977.)

A copy of the OII was sent to 34 foreign language newspapers, 28 American Indian newspapers, 21 Black newspapers, and 34 organizations of foreign-speaking citizens, a total of 117 addressees.

Thereafter, notice was sent to the above 117 persons and organizations and approximately 80 additional persons and organizations, including a list of names of organizations and persons to whom notice was requested to be given by an administrative assistant to the State senator who proposed the resolution, that a prehearing conference was to be held in Los Angeles on December 15 and 16, 1975 to make certain determinations including the dates, times, and places of hearings to be held. A page was attached to the notice further advising of the nature of the hearing, inviting interested persons and organizations to file statements concerning their views with the Commission, and requesting the addressees to advise the Commission of any persons or organizations which might have an interest in the subject matter of the OII and who might wish to file a statement with the Commission.

II. THE PREHEARING CONFERENCE

The prehearing conference was held on December 15 and 16, 1975 in Los Angeles as scheduled. Exhibits 1 through 5 were received in evidence.^{2/} Exhibit 1 was the agenda and certain suggestions for the prehearing conference; Exhibit 2, a statement by the Commission's staff with respect to an issue in the case; Exhibit 3, a statement by Mario Evangelista concerning an issue in the case; Exhibit 4, a declaration of issues in the case by

^{2/} These exhibits will hereafter be referred to as Prehearing Exhibits 1 through 5 to avoid confusing them with the Exhibits 1 through 5 received in evidence at hearings subsequent to the prehearing conference.

R. A. Callejo, attorney at law, and Exhibit 5, proposed issues as submitted by The Pacific Telephone and Telegraph Company (Pacific).

An official court interpreter, employed by the county of Los Angeles and assigned to the municipal court for the East Los Angeles Judicial District, testified. He stated that one interpreter is able to interpret English to Spanish and Spanish to English for one or more witnesses in an 8-hour day and that the reasonable cost would be \$75 per day plus mileage and parking expense.

It was unanimously agreed by all present to have public hearings in Los Angeles, Fresno, Sacramento, San Francisco, San Jose, Santa Barbara, San Bernardino, Indio, El Centro, and San Diego on certain dates, and public hearings were held in those cities on those dates and at the times agreed upon on 13 separate days during the period from February 2 to March 5, 1976. Many of the hearings were held from 7 to 9 p.m. to enable persons who worked during the day to be present without the necessity of losing time from work. Notice of the times, dates, and places of public hearings was sent to the 197 persons and organizations who had been given notice of the prehearing conference and to 10 other persons and organizations for a total of 207 persons and organizations in addition to certain members of the Commission staff and the respondent companies (Exhibits 1 and 2). A press release setting forth the dates, times, and places of public hearings was sent to more than 1,000 newspapers, radio stations, television stations, and other persons and organizations throughout California.

(Exhibits 43 and 44.)

... ..

At the prehearing conference it was agreed by those present, and an order was made, that the hearings for the purpose of the parties, the Commission staff, and the respondent utilities to present evidence would begin in San Francisco on March 16 and continue on March 17, 18, 19, 30, 31, and April 1 and 2, if necessary.

It was requested that the Commission provide interpreters so that those persons attending the hearings, who were unable to speak or understand English, would be able to understand the testimony of witnesses speaking in a language that such persons were unable to understand. The staff reported that it had made an investigation of the feasibility of such a program and determined that in order to provide interpretation of a witness' testimony in English to the members of the audience who were unable to understand English and who could understand some other language, it was necessary to do so by obtaining a booth where the interpreter could be stationed in such a manner as not to interfere with the proceedings, the interpreter would have earphones so that he would be able to hear what the witness was saying in English, and then he would have a means of communicating through a microphone to headphones being worn by the persons in the audience who required the interpretation, in a manner similar to that provided in the United Nations; and that it would be necessary for two interpreters to be employed each day for the interpretation of English to one other language at a cost of approximately \$500 per day for each situation where it was necessary to interpret English to another language. If there were persons in the audience who were unable to understand English and who could understand Spanish, Chinese, Japanese, or Tagalog, it would be necessary to have four such arrangements at the cost of \$2,000 per day. A ruling was made that such service was not necessary and would not be provided at the hearings.

There was a request that interpreters be provided and paid for by the Commission, or by the respondents, in order that persons who might appear at the hearings for the purpose of making statements or giving testimony who were unable to speak English would not be prevented from doing so, and would be able to make such statements or give testimony with the aid of interpreters. There was testimony that interpreters could probably be employed in the several cities where hearings were to take place at a cost of approximately \$75 a day plus travel expense. There was no statement upon what theory the Commission should require the respondents to pay the expense of such interpreters. There was testimony that in the superior and municipal courts in our State interpreters are provided without cost to defendants in criminal actions but, except on rare occasions where a judge may request an interpreter to assist in a small claims case, interpreters are not provided without charge in civil matters.^{3/} There was no evidence that the Commission had ever provided and paid for interpreters at any of its hearings. The request that interpreters be provided was denied. At the hearings which followed, there was no instance where any non-English-speaking person who was present was unable to testify because in every such case there was a bilingual person who voluntarily served as an interpreter.

At the prehearing conference the request that the Commission or the respondents pay fees for attorneys and investigators representing public groups interested in obtaining bilingual

^{3/} Jara v Municipal Court (1977) 68 CA 3d 673 subsequently held that an indigent defendant in a civil case is entitled to an interpreter at public expense if he is unable to speak or understand English.

telephone service was denied by the presiding hearing officer. We hereby affirm his ruling. The request that the Commission make a tape recording of the proceedings in addition to the recording by a hearing reporter in order to have a record of the accuracy of interpretation by interpreters was denied; but the request that tape recorders be permitted during the hearings was granted on condition that the recording not interfere with the hearings or the testimony of any witness.

III. STATEMENT OF THE ISSUES

It was determined that the issues in the case are:

- (1) Whether the rules, regulations, practices, operations, and services, or any of them, of the telephone companies operating within the State of California are unjust or unreasonable with respect to services provided to non-English-speaking persons in California.
- (2) A determination as to (a) which telephone utilities operating within the State of California, if any, are providing unjust or unreasonable service to non-English-speaking persons in California; (b) the areas of such companies wherein the service provided to non-English-speaking persons is unjust or unreasonable; (c) the extent to which the service provided to non-English-speaking persons in such areas is unjust or unreasonable; and (d) the extent of the need, if any, for such companies to improve their present bilingual services, or to provide additional bilingual services in the areas involved.
- (3) Determination of corrective practices and procedures, including the addition of any new communications plant that might be needed to make the proper corrections, the cost thereof, and the justification for such cost.

(4) Determination as to how and by whom the cost can and should be borne.

It was ruled that briefs could be filed by any of the parties concurrently on or before the fifteenth day after the final day of hearings and replies thereto may be filed on or before twenty-five days after the final day of hearings in this case.

IV. PUBLIC PARTICIPATION

Several letters and written statements were received by the Commission and were later received in evidence or the subject matter was testified to by the persons or representatives of organizations who sent the letters or statements to the Commission. In addition, the Commission received 116 letters expressing varying sentiments about the need for bilingual telephone services.^{4/} Of the 116 letters received, only 9 letters seemed to favor the implementation of full bilingual telephone services, 11 letters favored implementing some kind of bilingual emergency service, and 11 letters stated no opinion on bilingual services but requested additional information on the subject.

The Commission received 93 letters opposing bilingual telephone services. Eighty-three of these letters seemed strongly opposed to any bilingual services, and 53 expressed concern with the expense of bilingual service and expressed opposition to an increase in rates to support it. Two of these letters were in the form of petitions and had 18 and 77 signatures, respectively. Both of these petitions seemed strongly opposed to bilingual services and the associated costs which would be reflected in rates.

^{4/} Some of the letters expressed more than one opinion concerning such services.

Public hearings were held in Los Angeles on February 2, 1976 from 2 to 4 p.m. and 7 to 9 p.m. and on February 3, 1976 at 9:30 a.m., at which time Senator Alex Garcia and 13 other persons made statements. One person spoke against providing additional service, and the other witnesses spoke of the necessity for such service for Spanish, Korean, Japanese, Thai, and Tagalog-speaking persons who are unable to speak English. One witness stated that in the southern California area there are 70,000 Korean-Americans and many Japanese, Chinese, Thai, and Tagalog-speaking Filipino persons who do not speak English well enough to enjoy the use of telephone service as well as English-speaking people. One witness spoke for Japanese senior citizens and stated that there are approximately 13,000 Japanese in Los Angeles County, of which 7,000 to 8,000 do not speak English fluently. There was no evidence as to the number of persons who were unable to speak English well enough to make use of the telephone service as it presently exists.

At the public hearings in Fresno on February 4, 1976 from 2 to 4 p.m. and 7 to 9 p.m., 12 witnesses spoke in favor of bilingual services for non-English-speaking people and the testimony related to Spanish-speaking persons.

At the public hearings in Sacramento on February 5, 1976 from 2 to 4 p.m. and 7 to 9 p.m., Herman Sillas, Director of the Department of Motor Vehicles, and eight other persons gave statements. One person spoke against providing additional service; two persons spoke English, but were deaf and spoke of the need for the telephone company to provide equipment on a reasonable monthly rental basis for deaf people in order to permit them to communicate with each other and not be required to spend from

\$500 to \$600 for the necessary equipment;^{5/} two witnesses spoke generally to the need for bilingual services for non-English-speaking people and four spoke to the need for such services for non-English-speaking, Spanish-speaking persons.

At the public hearings in San Francisco on February 6, 1976 from 2 to 4 p.m. and 7 to 9 p.m. and February 9, 1976 at 9:30 a.m., 19 witnesses spoke in favor of bilingual services and one witness spoke against such service. Six of the witnesses spoke to the need for such service for Chinese-speaking persons; three spoke to the need for such services for Tagalog-speaking Filipino persons; and the other ten witnesses spoke to the need for such services for Spanish-speaking people. A representative of the San Francisco Police Department testified to the need for multilingual telephone services in emergency situations. There was testimony that 64,800, or 9½ percent of the population of San Francisco are Chinese and 55 percent of these do not speak English; that 38,000, or 5.6 percent of the population of San Francisco are Filipinos. It was stated that even though there are many Chinese dialects, the Chinese language, as written, is understood by all Chinese-speaking persons who are able to read the Chinese language. There was testimony that the Chinese Newcomers Association of San Francisco spent \$25,000 in 1974 in an effort to assist 3,300 Chinese-speaking people attempting to make telephone calls. There was also testimony that there are probably more than 44,000 Filipinos in the San Francisco area and that more than 75 percent of these persons have problems expressing themselves in English. It was stated that there are

^{5/} SCR 36 and this OII do not, but SB 823 (Greene) may encompass this issue; however, the Commission staff, the Department of Rehabilitation, and Pacific have discussed this problem on at least two occasions.

many Filipino language dialects but Tagalog is by far the most predominant. There was no evidence as to what percentage of these persons were able to use the telephone without additional assistance. It was stated that the 44,000 figure was based on the 1970 census and that there are now 62,000 Filipinos in the San Francisco area which includes San Francisco and the area surrounding San Francisco, including Oakland. Eighty-four percent of Filipinos use Tagalog as their mother tongue.

At the public hearing in San Jose on February 10, 1976 at 10:30 a.m., two witnesses spoke against bilingual services; one spoke to the subject of the Commission not providing interpreters for non-English-speaking persons at the hearing; and the other four spoke in favor of bilingual services, three testifying as to the need for Spanish-speaking persons and one as to the need for Portuguese-speaking persons. This last witness stated that there are many more Portuguese in California than most people realize because they are not considered separately when the United States census is taken.

At the public hearings in Santa Barbara on February 11, 1976 from 2 to 4 p.m. and 7 to 9 p.m., one person spoke against additional services and the other 13 spoke in favor of bilingual services and the need for such services for Spanish-speaking persons.

At the public hearings in San Bernardino on March 2, 1976 from 2 to 4 p.m. and 7 to 9 p.m., 13 witnesses testified as to the need for bilingual services for Spanish-speaking people, but one of these witnesses stated that such services should be for a limited time only to give non-English-speaking, Spanish-speaking persons an opportunity to learn English, the language of our land.

At the public hearings in Indio on March 3, 1976 from 2 to 4 p.m. and 7 to 9 p.m., 13 witnesses testified as to the need for bilingual services for non-English-speaking, Spanish-speaking people.

At the public hearings in El Centro on March 4, 1976 from 2 to 4 p.m. and 7 to 9 p.m., there were no persons present to make statements concerning the subject matter of the OII.

At the public hearings in San Diego on March 4 from 2 to 4 p.m. and 7 to 9 p.m. and March 5, 1976 at 9:30 a.m., three persons spoke in favor of bilingual services for non-English-speaking, Spanish-speaking persons and one person testified that if the respondents employ bilingual persons in order to provide such service then such persons should be paid extra compensation for being able to provide the additional language service.

Some witnesses testified under oath and others made unsworn statements, and almost all answered questions on cross-examination. Some of the witnesses spoke with the assistance of an interpreter.

Eight of the persons who testified or made statements presented views in opposition to the implementation of bilingual telephone services. One of the sentiments that seemed to underlie their statements is that many Americans came to this country as non-English speakers, and no special language services were established to cater to their needs. Some witnesses pointed out that by offering bilingual telephone services, rather than encouraging the non-English-speaking to learn English, we would be perpetuating the need for these services by furnishing a communication system which they could utilize in their own

language. Other witnesses expressed the thought that there is a need to increase communication between persons of diverse cultural backgrounds. These witnesses felt that bilingual telephone services would discourage the learning of one language that would help create this communication link. As one witness stated, "The best way to keep us united is to insure that every one of us has the ability to understand and be understood by others."

Other reasons given for opposing bilingual telephone services were the potential of additional costs being borne by all the ratepayers, and such service would provide assistance to aliens who are illegally in California.

Generally, the evidence presented by those who recommended additional bilingual services showed the need for such services as follows:

- (1) In order to ascertain telephone numbers, either from the telephone book or from directory assistance operators.
- (2) To place long distance calls; especially person-to-person calls, calls that could be dialed but the telephone operator would ask the telephone number of the person making the telephone call, and long distance calls from telephone booths.
- (3) In situations where the billing is incorrect or the non-English-speaking person seeks to have the installation or repair of telephone equipment.
- (4) In emergency situations when the non-English-speaking person has need for the Police Department, Fire Department, Sheriff, hospital, or ambulance service. In such a situation many witnesses testified that they believed that the telephone company had an obligation not only to provide them with the telephone number of the agency involved and connect them with that agency, but also to translate the message in the event that there was no one in the agency who spoke the language of the caller.

At least 15 witnesses related experiences where under emergency situations they or other persons were unable to use the telephone operator to reach an emergency agency.

Certain witnesses who testified or made statements did so in behalf of, or were associated with, the following organizations: Manuel R. De Ortega, a professor at California State University at Los Angeles; Maria Elena Yepes, a professor at California State University at Los Angeles; Ruth Suzaki, consultant, Los Angeles County Commission on Human Relations; Dennis Mishikawa, counsel of Asian and Pacific Organizations and administrative assistant to Senator Alex P. Garcia; Felix Gutierrez, assistant professor of Journalism at California State University at Northridge; Andres Hernandez, Community Service Organization, Los Angeles; Rosalio Munoz, community organizer and trainer in predominantly Spanish-speaking communities and now working in Lincoln Heights; Juanita Pena, the senior citizens' club in the Lincoln Heights area, all of whose members speak Spanish; Sueo Yoshida, the Japanese community senior citizens' and the Japanese joint counselling center; Nicholas Valenzuela, consultant for the East Los Angeles Community Union, the East Los Angeles Community College, and the Southwest Network; Dora Gonzales, director of Malata Anti-Poverty Organization, Fresno County Economic Opportunity Commission; Grace Solis, coordinator of the legal department for the United Farm Workers; Julio Cesar Gramajo, community relations coordinator for Greater California Education Project; Reuben Lucero, staff attorney for Fresno County Legal Services; Marie Gomez, home-school liaison for Fresno City Unified School District and Mexicanos Unidos organization; Maria Villapando, home-school liaison employee of the Fresno Unified School District; Herman Sillas, director of the Department of Motor Vehicles;

Steve Kemiji, chief of the translations and interpretations unit of the Agricultural Labor Relations Board; Louis Contreras, executive director for the Mexican-American Concilio of Yolo County; John Hibbard, a retired engineer for the State Department of Water Resources, who has lost 95 percent of his hearing and has been unable to hear since the age of six, representing the hearing-impaired people of the community; Ricardo A. Callejo, counsel for the Spanish Speaking Surnamed Political Association, Inc.; Henry Der, executive director of Chinese for Affirmative Action; Captain George Sully, Jr., San Francisco Police Department; John Gamboa, Latinos for Equal Telephone Service; Jack Casford, a member of the staff of the Human Rights Commission, an agency of the city and county of San Francisco; Po Wong, director of the Chinese Newcomers' Service in San Francisco; Jack Cheng, Chinatown Resources Development Center; Ruth Yee, director of Chinatown Community Children's Center in San Francisco; Marie Talaugon, director of the Filipino Newcomers' Service Center; Purisima Salazar, assistant director of the United Filipinos for Equal Employment; Evelyn Hynson, member of the board of directors of United Filipinos for Equal Employment; Joseph Lau, Self-Help for the Elderly, San Francisco; Barbara Nicoara, administrative assistant to Assemblywoman Leona Egeland; William Hastings, director and staff counsel of the Legal Defense Center of Santa Barbara, Inc.; Pablo Buckelew, El Concilio de la Raza, the Association of Mexican-American Educators, La Junta Directiva de la Universidad de California, and La Junta Directiva del Colegio de Santa Barbara; Catarino Manny Soria, Community Relations Commission of the city of Oxnard; Feliza Gonzalez, Community Action Commission of Santa Barbara County; Rogelio Trujillo, chairman of La Escuela Tiburcio Vasquez; Joe Baca,

a representative of IMAGE, Inc., Mexican-American Government Employees; Rosita Armida Zuniga, coordinator of senior citizens at Casa Ramona; Jesse Ybarra, executive director of the community settlement in Riverside; Jorge Rios, president of IMAGE; David Vandenberg, a VISTA volunteer and a paralegal, Community Legal Services of Riverside County; Aurelia Wick, an attorney for Community Legal Services of Riverside County; Jane Kelley, Coachella Valley Coordinating Council of Social Services; Julia Kalso, Progreso del Desierto; Tonantzin Lizarraga, administrative assistant in the manpower component of the Chicano Federation; Lydia Lopez, Women Who Speak Spanish, a feminist organization in San Diego; and Edward Ortiz, a field representative for Senator James R. Mills.

V. HEARINGS FOR PRESENTATION OF EVIDENCE BY INTERESTED PARTIES, COMMISSION STAFF, AND THE RESPONDENT UTILITIES

At the prehearing conference it was agreed by those present, and an order was made, that the hearings for the interested parties, the Commission staff, and the respondent utilities to present evidence would begin in San Francisco on March 16 and continue on March 17, 18, 19, 30, and 31, and April 1 and 2, 1976, if necessary.

By letter to the presiding officer dated March 10, 1976, Senator Garcia requested a postponement of the case for no less than sixty days and stated that the reason for the request was:

- (1) No detailed cost estimates have been submitted by the respondents as to providing full bilingual telephone service.
- (2) No detail of plans have been submitted by the respondents as to providing such service.

Pacific opposed the motion to postpone hearings stating that on December 19, 1975 it had filed with the Commission and served upon all appearances of record its report providing the information required by the OII and had complied with all requests for additional data made by the Commission staff. It stated that in the intervening three months all of the appearances have had ample opportunity to request additional information but no additional requests have been made of Pacific, that it is prepared to proceed to hearing on March 16, 1976, and delay would result only in a waste of time and resources.

Hearings were then held in San Francisco, as scheduled, on March 16, 17, 18, and 19, 1976. At those hearings Pacific, General Telephone Company of California (General), Continental Telephone Company of California (Continental), Western California Telephone Company, Colfax Telephone Company, Redwood Empire Telephone Company, and the Commission staff were represented. Neither Robert G. Ryan nor any other person representing Senator Garcia was present.

Some of the respondents were prepared to proceed to put on their respective cases at that time. The presiding officer ruled that they may proceed to do so and that the staff could put on its case at that time or wait until some later date to proceed. Mr. Ryan stated by telephone that he was unable to be present at any of the scheduled dates which had previously been set for hearing, March 16, 17, 18, 19, 30, or 31, or April 1 or 2, for the purpose of being present when such parties put on their respective cases, or for cross-examination, or for any other purpose. Senator Garcia's motion to continue the matter for the purpose set forth in his letter of March 10, 1976, to provide time to analyze information and to contact expert

witnesses to testify concerning costs and feasibility issues, was granted; and on March 16 the presiding officer ruled that at the conclusion of the hearings then in progress, the matter would be continued to June 1, that the dates of June 2, 3, and 4 would be set aside for further hearings, and the case would then resume on June 1 and continue until June 4, or until completed, whichever occurred first. Robert Ryan, representing Senator Garcia, stated that these dates would be satisfactory to him and he would be available on those dates.

By letter dated May 4, 1976, Senator Garcia stated that he had sought the assistance of attorneys with California Rural Legal Assistance which represents parties who have testified at the hearings. He also stated that circumstances had subsequently made it unreasonable to conclude the hearings on the June dates now set and requested that the dates be maintained but that instead a status conference on the case be held at that time. On May 5, 1976 a petition for intervention by Mexicanos Unidos was filed by attorneys for the California Rural Legal Assistance of Madera, California. As a result thereof, the presiding officer ruled and the parties were notified that instead of the evidentiary hearing previously set, a mid-hearing conference would be held and that the petition for intervention by Mexicanos Unidos was granted.

At the mid-hearing conference on June 1, 1976 the case was discussed by the parties present and evidentiary hearings were set for November 15 through 19, 1976, or the conclusion of the case, whichever occurred first.

In addition to Prehearing Exhibits 1 through 5, which were received in evidence at the prehearing conference, Exhibits 45, 50, 57, 58, 63, 64, and 65 were marked for identification only and

not received in evidence, and Exhibits 1 through 70, except Exhibits 45, 50, 57, 58, 63, 64, and 65, were received in evidence.

At the hearings in San Francisco during March 16 to 19, 1976, Charles V. McAvoy, an assistant vice president for operating services and interdepartmental training, testified for Pacific; Bob T. McClendon, manager of general traffic administration, testified for General; and James R. Mathews, who performs staff functions for the western region of Continental, testified for Continental. These witnesses were cross-examined at that time by the attorney for the Commission staff and were again cross-examined eight months later at the hearings in Los Angeles.

At the hearings in Los Angeles during November 15 through 19, 1976, Barry W. Crowley, a telecommunication management consultant, and Patricia Florence Randall, a telephone operator for Pacific, testified for Senator Garcia; Magdalena Navarro, an employee of Senator Garcia, testified for Mexicanos Unidos; and Stephen T. Pepler, a utilities engineer, testified for the Commission staff.

On the last day of hearing, November 19, 1976, the case was submitted subject to the receipt of opening briefs due February 1 and reply briefs due February 11, 1977. When the date for filing the report with the Legislature was extended one month to August 1, 1977, the dates for filing the briefs were also extended one month to March 1 and 11, respectively, the date of submission was extended to March 11, 1977, and all parties were notified. Thereafter, the assigned Commissioner extended the dates for filing briefs to April 1 and 11, the date of submission was extended to April 11, and the date for filing the report with the Legislature was extended to October 1, 1977. At Senator Garcia's request, the report-filing date was subsequently further extended to February 1, 1978.

VI. INTERESTED PARTIES' CONTENTIONS

Briefs were filed by the staff, three respondents, and interested parties, Senator Garcia, Mexicanos Unidos, and Mario Evangelista. The interested parties argued and made certain contentions as follows:

- (1) California has a large number of non-English-speaking persons, the monolingual Spanish-speaking population in California is increasing at a rapid rate, and there is a reasonable need to require the respondents to provide full bilingual service to non-English-speaking persons in areas where substantial numbers of such persons reside.
- (2) Federal, State, and local governments recognize the need for bilingual services and programs and the Commission should consider such changing attitudes and order the respondents to furnish telephone service to the non-English-speaking population equal to that received by the English population.
- (3) Present operative service to non-English-speaking persons is inadequate, inefficient, unjust, unreasonable, and therefore, unlawful.
- (4) The Emergency Spanish Language Assistance Bureau (ESLAB) is not an efficient or effective method of complying with Section 451 of the Public Utilities Code.
- (5) ESLAB should not be an emergency only service and it should be extended to include service in Chinese, Tagalog, and Japanese.
- (6) There should be a notice in all telephone directories of ESLAB service.

- (7) There is no conclusive evidence that the handling of calls for non-English, Spanish-speaking persons by means of a centralized interpreting office such as Pacific ESLAB is much more cost-effective than having special bilingual operators for current call volumes.
- (8) Charges should not be made for ESLAB calls in that non-English-speaking persons are already paying for services in English which they do not receive.
- (9) Pacific's plan for full bilingual operator service is not reliable in that it is not based on actual testing or accurate pricing, but the interested parties were unable to present any evidence of a plan that would be more accurate than that presented by Pacific.
- (10) The Commission should order the respondents to employ as many bilingual operators in traffic offices as are necessary to meet the customer demand in all languages in a given area and should consider the possibility of modifying Pacific's and General's TSPS equipment to bring about an interposition transfer capability within each traffic office which had some equivalent.
- (11) The Local Emergency Telephone Systems Act, commonly referred to as the 911 System (911), enacted in 1975 by Assembly Bill 1166 and found in Section 53100, et seq., Government Code, which requires that counties, where five percent or more of the population speak a specific primary language other than English, shall employ bilingual operators at all times for 911 emergency service if not sufficient for non-English-speaking telephone users. It contains no provision for funds, it is not scheduled to go into effect until 1984, there is no assurance of equal service to the non-English-speaking persons in our State, and will not solve all of the emergency problems of the non-English-speaking people of California.

- (12) Telephone directories should contain foreign language emergency dialing, language assistance, and essential rate information, including lifeline rates in directory areas where three percent or more of the population are non-English-speaking persons.
- (13) Bilingual persons should be assigned to business offices where necessary and also assigned to assist in the installation of telephones for non-English-speaking persons.
- (14) Bilingual pay station cards with emergency and dialing information should be ordered in exchange areas where three percent or more non-English-speaking persons reside.
- (15) The advertising of telephone services to non-English-speaking users should be increased so that such non-English-speaking persons would be advised of the most economical and convenient ways to use the telephone, including services such as ESLAS.

VII. IDENTIFICATION OF SERVICE AREAS WHERE
A SUBSTANTIAL PERCENTAGE OF THE
POPULATION IS NON-ENGLISH-SPEAKING

A. Preliminary Statement

Exhibits 7, 12, and 17 show that Continental, General, and Pacific have properly filed reports and appear to serve areas where there are non-English-speaking people of significant numbers.

The other respondent telephone utilities also properly filed their respective reports as required by the OII, but it did not appear, nor was it contended by any party, that any of them serve areas where a substantial percentage of the population is non-English-speaking. In those areas the demand for bilingual services appeared to be moderate, and in some instances there was an effort to cope with the problems that may exist.

In the OII, each telephone utility was required to provide information as to those parts of its service territory where a "substantial percentage of the population is non-English-speaking." For the purposes of identifying these service areas, the Commission staff asked the utilities to identify those serving areas where three percent, five percent, or ten percent of the population were non-English-speaking. Only three respondents, Pacific, General, and Continental, reported that portions of their service territory may include areas where over three percent of the population is non-English, Spanish-speaking, and the only language group exceeding such three percent is the monolingual Spanish-speaking.^{6/}

B. A Review of the Methods Used to Identify Non-English-Speaking Language Groups

It is difficult to derive precise information on the location of non-English-speaking persons in California. There are no known special reports or studies that specifically identify those areas of California where non-English-speaking persons reside. Each telephone utility, therefore, relied upon 1970 census data and extrapolated from this data the percentage of non-English-speaking persons in its serving territory.

Although the staff found that the methodologies used by the telephone companies to develop this information was reasonable, the data received should be viewed as rough estimates. All estimates of the percentage of non-English-speaking persons relied on the 1970 census data. There are, however,

^{6/} Livingston Telephone Company and Evans Telephone Company filed responses indicating that their service territories included monolingual Spanish-speaking communities in excess of three percent of the population. Pacific, however, provides operator services to these companies.

several problems in utilizing the 1970 census data. One of the problems is that the 1970 census data used by the telephone companies was later updated. According to one of the public witnesses, the 1970 census data estimated that there were 3.1 million persons of Spanish-American heritage living in California. In 1974 this figure was raised to 3.7 million, indicating that this population group may have been undercounted by 17 percent. A witness at the public hearings in San Francisco testified that in 1973 the California Department of Employment Development estimated that there were approximately 64,800 Chinese-Americans residing in San Francisco, whereas the 1970 census data used by Pacific had estimated only 53,596.

It seems the respondent telephone companies did not account for any growth among these population groups since 1970. It would appear, therefore, that the estimates used by the telephone companies may undercount the actual number of non-English-speaking persons residing in California.

Another problem with the 1970 census data, which also may lead to an undercounting of certain non-English-speaking groups, is that it failed to count one large minority group, the Filipino-Americans. It appears that this minority group was accounted for under the category of Spanish-surnamed persons. The 1970 census data also fails to reflect the current influx of Vietnamese and Koreans into California.

Still another problem in utilizing the 1970 census data is that the geographic regions by which the census data reports minority groups does not necessarily reflect the geographic boundaries of telephone companies' service areas. Thus, the figures that have been reported may either overstate

or understate the actual concentration of non-English-speaking groups within the identified service territory. Therefore, some certain serving territories identified as containing three percent or more of a particular language group may or may not actually qualify if proper geographic locations were available.

C. Non-English-Speaking Language Groups that Would Qualify for Bilingual Telephone Service

A review of the filed reports by each telephone company shows that the only language group that meets a three percent or more population estimate for a service territory is the Spanish-speaking population. Testimony given indicates that the use of Spanish in California is growing and Spanish-Americans presently represent 18 percent of the State's population; and the Mexican-American Population Commission estimates that by 1980 there will be 4.9 million Spanish-Americans living in California. One witness stated that the Spanish-American population of California is larger than the population of each of 27 states and that the 1970 census data would rank the Spanish-American community in Los Angeles County as the fourth largest county in California. He also pointed out that Spanish-Americans are the largest minority group in California and are also the fastest-growing minority group in the State.

The staff believes that another non-English-speaking language group that may qualify for the need for bilingual telephone service is the monolingual Chinese-speaking community of San Francisco. As noted above, it is presently estimated that there are approximately 64,800 Chinese-Americans living within the city and county of San Francisco. According to the 1970 census data about 59 percent of these persons were foreign born and over 90 percent reported their mother tongue as Chinese.

The staff believes that these figures amply support the conclusion of witness Henry Dex that a large portion of San Francisco's Chinese-American community are people who either speak no English or are very limited in their ability to communicate in the English language, and also therefore, that in the San Francisco area bilingual services should also be provided to this non-English-speaking group of persons.

It does not appear, however, that the evidence is sufficient to validly establish the percentage of such Chinese-speaking persons who do not speak or understand English to such extent that they are unable to use a telephone; so we cannot conclude that this group consists of three percent or more non-English-speaking persons in the San Francisco area. We do believe that the evidence and testimony presented establish that the Chinese language minority is sizable and that it encounters unique difficulties in obtaining emergency telephone service.

D. Staff's Reporting Requirement Recommendation

Staff recommends (Exhibit 67, p. 14, item A.8) that the Commission be furnished annually by all respondents a list of the exchanges having three percent or more of a non-English-speaking language minority. As we will discuss later, the three percent standard is a valid guideline for determining that a substantial percentage of non-English-speaking persons exist in a given exchange or directory area. It is reasonable to adopt such a reporting requirement.

VIII. SURVEYS RELATING TO TELEPHONE SERVICE OF NON-ENGLISH-SPEAKING PERSONS

With respect to the problems that the non-English-speaking experience in placing operator-assisted phone calls, Exhibits 27 and 28 were received in evidence during the course of the public hearings. Both of these exhibits represent surveys of telephone operator service that attempt to evaluate the efficiency with which calls in Spanish are answered and serviced within the Spanish-speaking communities of San Francisco and Santa Barbara. Both studies attempted to measure telephone operator responses to operator-assisted calls made in Spanish and thereby determine the availability and quality of telephone service rendered in that community to people who speak only Spanish.

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The San Francisco survey (Exhibit 27) was made by placing a series of calls to operators using selected dialogues in English and Spanish. These calls were made by teams: one person would actually make the call and one person would time the call. Calls were placed over the period of a week. In total, 54 calls were placed: 18 in English, 18 in English using Spanish surnames, and 18 in Spanish.

Although there may be some question as to the statistical validity of these surveys, it is clear that the response times of operators to the Spanish-speaking calls were longer than for the same calls placed in English. With respect to the San Francisco survey, Exhibit 27 states that the average response time until final disposition for calls made in English was 39.67 seconds, as compared to 262.7 seconds for Spanish-speaking calls and there were no cut-offs for English-speaking calls, but one-third of the Spanish-speaking calls were cut off. In addition, in all English-speaking calls the service asked for was received, whereas in the Spanish-speaking calls five of the 18 calls received no service.

Similar results were documented for the survey conducted in Santa Barbara (Exhibit 28). This survey was conducted in a similar manner to the San Francisco survey and concludes that the average time for processing an information call in English was 61.41 seconds, but for Spanish-speaking calls was 107.45 seconds, and on five occasions the Spanish-speaking caller received no service whatever. Seventy-six percent of the calls were requests for telephone numbers of public agencies, a large number of which were requests for numbers of agencies which might only be needed under emergency circumstances.

The survey also holds that the delay in service to people who speak only Spanish is a significant factor in the quality of telephone service. The survey also holds that the delay in service to people who speak only Spanish is a significant factor in the quality of telephone service.

IX. TELEPHONE COMPANIES' LEGAL OBLIGATION TO PROVIDE BILINGUAL TELEPHONE SERVICE

There are two sections of the Public Utilities Code pertinent to the legal obligations of a public utility to provide service. Section 451 provides:

"All charges demanded or received by any public utility, or by any two or more public utilities, for any product or commodity furnished or to be furnished or any service rendered or to be rendered shall be just and reasonable. Every unjust or unreasonable charge demanded or received for such product or commodity or service is unlawful.

"Every public utility shall furnish and maintain such adequate, efficient, just, and reasonable service, instrumentalities, equipment, and facilities as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public.

"All rules made by a public utility affecting or pertaining to its charges or service to the public shall be just and reasonable."

The pertinent parts of Section 453 state:

"(a) No public utility shall, as to rates, charges, service, facilities, or in any other respect, make or grant any preference or advantage to any corporation or person or subject any corporation or person to any prejudice or disadvantage."

"(c) No public utility shall establish or maintain any unreasonable difference, as to rates, charges, service, facilities, or in any other respect, either as between localities or as between classes of service."

"(e) The commission may determine any question of fact arising under this section."

Sections 451 and 453 have been interpreted to impose upon this Commission the duty to protect the interest of public utility customers and to see that they receive adequate service at adequate rates. (Tahoe Cedars Water Co. (1963) 60 CPUC 558.) The legal obligation imposed upon a public utility by these sections has been defined as follows:

"In seeking and being granted the privilege of operating as a public utility, one enters into a covenant with the state to perform his duties as such a utility, and one of the most fundamental duties is to furnish reasonable and adequate service to the public at reasonable rates without discrimination. (Paul B. Strong (1955) 53 CPUC 802.)"

Under Section 453 it is argued that telephone utilities are granting a preference or advantage to English-speaking customers by providing "full" telephone service only in English, and the same level of service should be provided to the non-English-speaking customers to prohibit granting a discriminatory advantage to the English-speaking customer over the non-English-speaking customer.

The staff contends that whether a utility is providing its service in compliance with Section 453 is a question of fact. This section has been interpreted to forbid undue or unreasonable discrimination between customers. (Francion v Soledad Land and Water Co. (1914) 4 CRC 184; NAACP v All Regulated Utilities (1970) 71 CPUC 460.) Thus this Commission has found that where a telephone utility provided concentration identifier equipment in certain districts and not in others, there was no unreasonable discrimination due to the fact that in certain areas it could not be provided economically. (McCormick v Pacific Tel. & Tel. (1957) 55 CPUC 634.) Similarly, the staff believes there is no unreasonable discrimination by the fact that non-English telephone services are not presently provided to the non-English-speaking.

The staff submits that the fact telephone service is presently offered only in English does not create any preference or advantage to English-speaking customers as prohibited by Section 453, nor are non-English-speaking customers being unduly discriminated against, and that telephone companies are offering a uniform service to the public. They are not offering preferential rates or services to a particular group. The problem is that non-English-speaking persons, due to complex social and educational backgrounds, are not capable of utilizing the proffered telephone service to the same extent as English-speaking users.

The staff asserts that this Commission must determine, based upon the facts presented in this case, what level of bilingual services would meet the requirements of providing "adequate, efficient, just, and reasonable service, instrumentalities, equipment, and facilities as are necessary to promote the safety, health, comfort and convenience of its patrons, employees, and the public". To that end, the staff believes the Commission should examine all the facts surrounding the manner in which telephone utilities are providing service to the non-English-speaking, and determine whether such service is being provided in the manner most beneficial to the safety and well-being of these non-English-speaking consumers.

Pursuant to Section 451 a utility must provide such service as is reasonable and necessary to the public. In viewing the extent of a utility's duty to serve, the Commission has determined that a utility cannot reasonably or legally be asked to do more for one group of customers than is normally available to the public in its utility operations generally.

(Echo View Estates Water Company, Inc. (1963) 61 CPUC 403, 404.)

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- MEMBERS HOLDING COMPANY - LEGAL COUNSEL
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Section 453 imposes upon the respondents the duty to avoid unreasonable discrimination in the provision of service to the public. In construing the duty imposed on public utilities by Section 453, the Commission has held:

"Discrimination by a public utility does not mean, merely and literally, unlike treatment accorded by the utility to those who may wish to do business with it, but refers to partiality in the treatment of those in like circumstances seeking a class of service offered to the public in general. (International Cable TV Corporation v All Metal Fabricators, Inc. (1966) 65 CPUC 365, 382.)"

In applying these broad public interest reasonableness standards, the Commission takes into consideration many factors, including the nature of the service offered, the requirements for the service and the alternatives available, the cost of providing the service, the value of the service, and whether such service will be self-supporting. Thus, the resolution of the issues are questions of fact which the Commission must determine. (City and County of San Francisco v Western Airlines, Inc. (1962) 204 CA 2d 105, 137; Western Airlines, Inc. (1964) 62 CPUC 553, 562; Cal. Trucking Assn. (1972) 73 CPUC 74, 76.)

Applying these principles to the issue of whether full bilingual services are reasonable and necessary, the Commission has previously found that:

"By furnishing telephone service in English to its Spanish-speaking customers as well as to its English-speaking customers, Pacific is furnishing the same level of service to the Spanish-speaking customers as to the English-speaking customers. . . . The difficulties which some Spanish-speaking customers experience with the telephone service of Pacific are caused by their lack of knowledge of the English language. (Mission Coalition Organization v PT&T Co. (1972) 73 CPUC 139, 143.)"

Since full bilingual services are not now required or available to the public in a telephone utility's operations generally, and since the need for such services, if any, arises from the language deficiencies of a particular group of customers, the Commission determined in the last-mentioned case that Pacific could not reasonable or legally be asked to provide such bilingual services, and the Commission concluded that "Pacific should not be ordered to improve the quality and level of services provided Pacific's Spanish-speaking customers".

The respondents have the duty under Section 489 of the Code to file with the Commission complete schedules of their rules, contracts, privileges, and facilities which in any manner affect or relate to service. Accordingly, the respondents herein have on file with the Commission the tariffs which contain the rules under which service will be rendered to the public by the respondents. When such rules are filed with the Commission, their provisions become a part of the contract to render service and the entire duty and liability of the respondents with respect to telephone service is fixed by the rules and regulations prescribed by the Commission. (Waters v Pacific Tel. & Tel. (1974) 12 Cal 3d 1, 4; Riaboff v Pacific Tel. & Tel. (1940) 39 CA 2d Supp 775, 778.)

The respondents' current duty to provide telephone service under their respective filed tariffs is the same for the non-English-speaking customers as for their English-speaking customers. This duty is limited to completing calls or telephonic communication.

The tariffs filed by the respondents provide in part that:

"The utility shall not be liable for errors or omissions in transmitting, receiving, or delivering oral messages by telephone over the lines of the utility and connecting utilities."

Pursuant to their obligations to provide adequate telephone service, the respondents have no duty to deliver messages for customers, even in the most dire emergencies. (Waters v. Pacific Tel. & Tel. (1974), 12 Cal.3d 1, 10; Schwarzbach v. Pacific Tel. & Tel. (February 1, 1977), Civ. 38549, Sup Ct over 44803, at Slip p. 6.) The respondents currently have no duty to translate or to deliver messages for customers. From a cost perspective, if the respondents were to have imposed upon them the additional duty of translating for customers and delivering their messages, it would increase the investment required as well as the operator force requirements, and would necessitate increases in rates for such additional special services, or increase rates for all subscribers if such an incremental expense increase is not spread to those who use such special services.

In Re Pacific Tel. & Tel. (1972) 73 CPUC 729, 763, the Commission inquired whether one of the respondents had a duty to provide full bilingual service so that a subscriber in the portions of the State with significant numbers of Spanish-speaking residents could obtain essentially the same service in Spanish as in English. The Commission concluded that:

"Unfortunately, our society apparently has not yet provided facilities to teach and sufficient incentive for all to learn English. We cannot conclude, however, that it is the responsibility of Pacific to overcome fully this deficiency. The steps already taken by Pacific appear reasonable and no further requirements will be made at this time."

If the respondents were to require their operators to be bilingual, it could create legal, labor, and personnel problems. Some of the respondents are prohibited by union contract from requiring their operators to use their Spanish language skills as part of their job, either on emergency or non-emergency calls.

X. BILINGUAL SERVICES PROVIDED OUTSIDE OF CALIFORNIA

A. Operator Services

In the area of operator services, no other Bell System company provides special bilingual assistance such as ESLAB to aid non-English-speaking customers in completing emergency calls. Most other telephone company practices provide for attempting to locate a bilingual operator or supervisor, if any, in the office. If this is not possible, they advise the customer to get an English-speaking person to come to the telephone. For example, Chesapeake & Potomac Telephone Company (C&P) in Washington, D.C. provides a special number whereby non-English-speaking, Spanish-speaking persons can obtain operator services, but the record shows that such a person could not receive assistance in placing a phone call through the telephone company employee at this number. In C&P there are no operators dedicated to handle only Spanish language calls, but bilingual operators are identified on a list and could be contacted to handle Spanish language calls, if available. Only 50 to 60 Spanish language calls are handled by these operators each month compared to the 4,500 and 5,000 calls a day handled by ESLAB.

...and to whatever extent possible. There is no evidence that Southern Bell actually handles all calls from Spanish-speaking customers through the switchboard.

OPERATOR SERVICES PROVIDED BY SOUTHERN BELL TELEPHONE COMPANY

A

of the Miami, Florida, telephone directory distributed by Southern Bell, and Exhibit 70 is the translation of that "call guide".

Exhibit 62 is the Spanish language version of the "call guide" from the Miami, Florida, telephone directory distributed by Southern Bell, and Exhibit 70 is the translation of that "call guide". Therein Southern Bell explicitly states that all their operators speak English, while only a few speak Spanish, and that a non-English-speaking, Spanish-speaking caller should seek a family member or friend for assistance in placing long distance calls. If this is not possible, the standard practice in the Southern Bell offices in Miami, Florida, appears to be that when a Spanish-speaking monolingual caller cannot be understood by an operator and English assistance cannot be obtained by the caller, an attempt is made to find a bilingual operator in the office to assist the caller (Exhibit 51, p. 1). In the event that the company is unable to locate a bilingual operator on duty in that office, the answering operator then turns the caller to a special services cord switchboard for handling, which switchboard handles overseas calls to Cuba from Miami and will also, presumably, handle Spanish language calls trunked to them from the Miami answering operators as an adjunct to its primary overseas service, and to whatever extent possible. There is no evidence that Southern Bell actually effectively handles all calls from Spanish monolinguals through the switchboard.

The operator assistance provided by New York Telephone Company involves locating a bilingual operator if one is available (Exhibit 54, p. 1). New York Telephone, like C&P, provides a special number, but receives only 70 to 80 calls a day contrasted to the large number of calls received by ESLAB.

The telephone company in Canada is known as Bell of Canada, but it is not part of the Bell System in this country. Exhibit 52 shows that operator services are provided in French and English in Canada, and it appears that the reason for this is that French and English are the two official languages of Canada and possess and enjoy equality of status and equal rights and privileges (Exhibit 67, p. 29). Quebec is predominantly French-speaking, while the rest of Canada is predominantly English-speaking. The daily fabric of life in Quebec, including all business, governmental, and social interaction, is dominated by the French language, whereas in the rest of the company's operating territory, the predominant language is English.

Some companies, such as C&P, have programs similar to those also available for handling bilingual calls. Instructions and others to be...

The Puerto Rico Telephone Company operates in Puerto Rico, a Spanish-speaking island, where almost everybody is bilingual (Exhibit 53, p. 1).

B. Directory Services

A review of other telephone companies in the United States having large numbers of non-English-speaking persons reveals that some companies provide bilingual emergency information in the introductory pages of the directory (Exhibit 67, pp. 27-28), as well as dialing and rate information (Exhibit 51, p. 2; Exhibit 54, p. 1; Exhibit 67, pp. 27-28) where there is an obvious need. Some other telephone companies such as C&P do not provide such information (Exhibit 67, p. 28).

C. Informational and Instructional Advertising

Some other companies also provide bilingual informational and instructional advertising similar to that conducted by one or more of the respondents herein, but it does not appear that any of such companies provide more than the respondents herein where there are large numbers of non-English-speaking persons.

D. Coin Telephone Instructional Card Inserts

Some companies, such as C&P, have programs similar to some of the respondents herein for installing bilingual coin card instructions and others do not.

XI. THE 911 SYSTEM

The 911 system provides a single universal emergency number for procuring emergency services, such as fire, police, emergency medical, and ambulance through a public safety answering point known as "PSAP". The local public agencies as defined in Government Code Section 53101 have the obligation of establishing and operating the PSAP (Sections 53107-9, Government Code). The PSAP is to be located in non-telephone company quarters, staffed by non-telephone company personnel, and is under the jurisdiction of the governmental body it serves. The local public agency's obligation extends to translating and delivering a message from the caller to the appropriate emergency agency. PSAP must have a full-time bilingual capability in those counties where five percent or more of the population speak a primary language other than English, in order to translate for the non-English-speaking callers (Section 53112, Government Code).

The 911 system is in the process of being implemented. All public agencies must submit final plans for the establishment of 911 systems by July 1, 1978; must place a firm order to the appropriate utility providing telephone service to such public agency on or before July 1, 1979; and must make arrangements for the implementation and have in operation the basic 911 system no later than December 31, 1984 (Sections 53109 and 53115, Government Code). The 911 system is operative in California in 13 municipalities and in Monterey and San Benito Counties, and other 911 systems are scheduled for completion in the near future. Much of the State will be switched over to 911 in advance of the 1984 date required by the Legislature.

The costs necessary for the establishment of the 911 system by public agencies will be paid for through a tax levy in the form of a surcharge imposed on amounts paid by the users of intrastate communication services in California commencing July 1, 1977 (Sections 41001-41150, Revenue and Taxation Code). The Legislature has appropriated from the State's General Fund for 1976-1978 the sum of \$1,222,000 to fund the 911 system (Section 41150, Revenue and Taxation Code).

The 911 legislation requires one or more of the respondents to bear certain expenses involved with the implementation of the 911 system, such as the clearing of the 911 telephone code on a statewide basis and the provision of the necessary equipment arrangements in the local central offices to make the code effective, involving a cost of approximately \$15,000,000. In addition, the cost of the circuits between the customers' service office and the office serving the PSAP is included, which cost cannot be determined until the location of every PSAP has been determined, and also involves the cost of providing dial tone in coin telephones without the necessity of depositing a coin, which costs will be approximately \$35,000,000.

XII. DIRECT DISTANCE DIALING

Approximately 99 percent of all calls made in California are dialed by the customer without assistance of an operator, for which an additional charge would be imposed, by way of direct distance dialing (DDD) service (see Exhibit 67, p. 34, item E). The evidence shows that this is true in areas where large numbers of Spanish-speaking persons reside as well as in areas where there are few or no non-English-speaking customers. Pacific analyzed the percent of total calls that were dialed directly in several heavily populated Spanish-speaking communities and found it to

be very similar to the statewide average of 98.6 percent of total calls that are directly dialed, and such studies were conducted in February 1976 in such communities as Montebello, Delano, El Centro, and Bakersfield.

Customers should be encouraged to dial directly. By dialing the seven-digit number of the emergency agency or by dialing "911" where it is available, the caller can reach the emergency agency in five to ten seconds, whereas going through an operator can take from 35 to 90 seconds or more.

Studies have revealed that Pacific's Spanish-surnamed customers' telephone usage is influenced by economic factors and eight out of ten Spanish-surnamed customers interviewed in Spanish said they would like to have information about ways to save money with telephone service.

The availability of DDD can satisfy the customers' calling needs more efficiently and more cheaply in all but about one percent of the cases (Exhibit 67, p. 14, item E). Customers should be made aware of the efficiency of direct dialing, encouraged to write down the telephone numbers of emergency agencies, public agencies, or other persons they wish to call, and should be made aware in a language the customer can understand as to how to dial calls directly.

All Pacific operators are instructed to advise a customer operator whenever they have a caller who is dialing directly and when they cannot connect. They are to advise the caller as soon as they realize that the call does not reach the intended party and to attempt the call as an emergency matter. The following are the instructions to operators:

XIII. OPERATOR SERVICES

A. Pacific Telephone Company

1. Present Operator Service

Pacific does not presently provide full bilingual operator services. Full bilingual operator service has been interpreted by Pacific to mean the ability to place person-to-person, collect, credit card, directory assistance, and all other types of phone calls that might necessitate the assistance of the telephone operator before the call can be completed. As required by the OII, Pacific did submit plans as to how it could most economically and efficiently furnish full bilingual operator service. These plans will be discussed below.

2. ESLAB

Although Pacific does not provide full bilingual operator service, it does provide to Spanish-speaking callers the Emergency Spanish Language Assistance Bureau (ESLAB). ESLAB was established in 1970 to assist Spanish language callers in completion of operator-assisted emergency calls. Pacific contracted with a Los Angeles answering service to provide and operate this facility. ESLAB operates 24 hours a day, 365 days a year. The answering service operators are fluent in both English and Spanish. The staff's Exhibit 67 estimates that the cost to provide ESLAB is \$360,000 a year. Pacific's witness, however, estimated this cost to be \$425,000.

All Pacific operators are instructed to access an ESLAB operator whenever they have a caller who is speaking Spanish and with whom they cannot communicate. They are to access ESLAB as soon as they realize that the caller does not speak English, and they are to assume the call is of an emergency nature. ESLAB assists the operator as set forth below.

The Spanish-speaking customer lifts the receiver and dials "0". The call switches through the local central office and is answered by Pacific's "0" operator who, upon recognizing the caller is talking Spanish, dials the ESLAB number. That call switches through the local or toll network, and through the local central office in Los Angeles and comes into the ESLAB. The ESLAB translator talks to the Spanish-speaking customer, translates the emergency information to Pacific's "0" operator, and then drops off the connection. The "0" operator then dials the emergency call and when assured the connection has been made, cuts out.

When the call is an emergency call, the ESLAB operator is instructed to obtain, if possible, the name of the caller, the phone number, and the nature of the emergency. ("0" operators are also instructed to try to obtain this information on English-speaking emergency calls.) This information is then communicated to the Pacific "0" operator. The "0" operator then accesses the emergency agency and, if required, can impart the obtained information to the emergency agency. These instructions are imparted to assure that ESLAB's function as an emergency assistance service is carried out.

Pacific's witness McAvooy testified that ESLAB handles between 4,500 to 5,000 calls a day. On a yearly basis, then, ESLAB will respond to about 1.6 million phone calls. He also testified that "0" operators handle about 1,500 Spanish-speaking calls a day. Thus, on a yearly basis Pacific's "0" operators receive at least 2.1 million phone calls from Spanish-speaking callers.

These calls represent less than one percent of the daily operator-assisted calls handled by Pacific. Only one percent of all ESLAB calls have been determined by Pacific to be actual emergency calls--calls to fire, police, ambulance, hospital agencies, or doctor. The remaining calls are calls which require some other form of operator service.

Regardless of the nature of the call, however, ESLAB operators are instructed to determine the needs of the Spanish-speaking caller and translate this information back to the "0" operator. This is done because the ESLAB operator is unable to forward the call, and the call must be returned to the "0" operator for further processing.

ESLAB is limited in the type of assistance it can offer a Spanish-speaking caller. If a call is a person-to-person or a collect call to a non-English-speaking person, the "0" operator may still be unable to complete the call due to the operator's inability to communicate with the person receiving the call. Also, in directory assistance calls, the Spanish-speaking caller cannot communicate with the directory assistance operator. ESLAB is incapable of processing all operator-assisted phone calls and thus cannot be considered a full bilingual operator service. It should be viewed as a service for which it was originally established, an emergency Spanish language assistance service.

Pacific's service standard for judging ESLAB's performance is: "On a company-wide basis, persons placing emergency calls who speak only Spanish will be connected to a Spanish speaking operator within 60 seconds in 90 percent of the cases." Pacific has not consistently met this standard. In 1974 ESLAB met the 60-second objective 80 percent of the time; in 1975 and in January 1976 it met the objective 85 percent of the time.

Pacific is attempting through (1) assigning a company representative to work closely with ESLAB; (2) contracting with outside services to monitor the quality of the service; (3) developing additional equipment capability of ESLAB; and (4) adjusting the "0" operator operating practices in the northern region to speed up routing of calls to ESLAB, to provide the changes necessary to meet its service standard.

Also to aid the emergency caller, Pacific has placed symbols which represent emergency agencies, such as fire, police, and ambulance, and their telephone numbers, on coin box instruction cards. In September 1975, each Pacific customer in California received a bill insert which described in both English and Spanish the use of these emergency symbols and the corresponding telephone numbers in front of their directories.

3. Proposed Bilingual Operating Plan

Pacific's report to the Commission on the most efficient design of providing full bilingual operator services analyzed 18 alternative designs for furnishing full bilingual operator service. These alternatives fell into two categories. One set of alternatives proposed that a non-English-speaking customer dial a number and be connected directly with a bilingual operator. The other alternatives analyzed were those that use the basic serving plan and backbone telephone network to reach a bilingual operator.

In the first category, the non-English-speaking caller would dial "0", or a three-digit, seven-digit, or ten-digit number, and the caller would be directly connected to a bilingual operator. In the second category, the serving plan would provide an "0" operator who would receive a call from a non-English-speaking customer and the "0" operator would access a bilingual translator.

Included in this latter plan was one which gave the "0" operator the ability to route the call to a bilingual operator, who would then handle the call.

According to Pacific, only one of the alternatives studied would meet its criteria of statewide uniformity and "0" feasibility. Pacific's witness testified all other alternatives could not meet this criteria, and/or would result in a more costly plan to the ratepayer. As described by witness McAvoy, the most efficient and economical plan would be to have the non-English speaking person dial "0" and the operator connect the customer with one of several special switchboards established throughout the State staffed with bilingual operators. He said that these operators would then assume full control of the call and would satisfy the customer's need for local assistance, the placing of a toll call on which operator assistance is required, or the connection of the call to the appropriate directory assistance office, and would serve a translation function.

Staff counsel spent over three days cross-examining Pacific's witness on the various elements of its bilingual service plans. In addition, the staff witness Pepler testified that he had carefully analyzed Pacific's response to the OII, had met with Pacific's representative on numerous occasions, and had received voluminous work papers backing up Pacific's studies. Based upon this cross-examination and Mr. Pepler's analysis, the staff is convinced that Pacific's most efficient, economic, and uniform plan for providing bilingual service is as stated by Mr. McAvoy. The staff believes the other alternatives are unworkable and uneconomical.

4. The Estimated Cost of Pacific's Proposed Bilingual Operator Plan

Based on serving those areas where the Spanish-speaking population is three percent or more, Pacific estimates the annual cost of providing the most economic bilingual service to be about \$33 million. Similar cost estimates for serving in areas where the Spanish-speaking population is five percent or more is estimated to be \$18 million. These cost estimates assume operators would not reject calls from customers who reside in areas not qualifying for bilingual service. The annual cost per Pacific customer is about \$3.90.

Pacific, in estimating the costs of this bilingual operator service plan, first estimated the number of Spanish-speaking subscribers for each directory serving area. This figure was then multiplied by the standard ratio of .413 subscribers per population. It was then assumed that the non-English-speaking customers would make the same number of calls per customer of the same duration as the current statewide average. Pacific's study then traced these calls through the telephone system and tabulated the cost of each stage. The \$33 million cost estimate includes "O" operator trunks and circuits, "O" operators and positions, switching equipment trunks and circuits from the "O" operator to the centralized bilingual operators, bilingual operators and positions, and outgoing toll trunks and switching equipment from the bilingual positions to the terminating office. Pacific used similar methodology for calculating directory assistance operator costs.

5. Staff Evaluation of Pacific's Cost Estimates

As noted above, Pacific's cost estimates for furnishing full bilingual operator services are based upon the demand for operator telephone services that would be generated by providing bilingual telephone service to the monolingual Spanish-speaking population of California. The staff's major criticism of these cost estimates is that it is not clear what traffic demand Pacific believes would exist, assuming it was required to institute a full bilingual operating serving plan.

At hearings in November, witness McAvoy stated under cross-examination that Pacific's estimates assume a demand to service 569,000 monolingual Spanish-speaking persons. He testified that a good analogy of Pacific's methodology and procedure would be similar to cost estimates used in estimating service to a new community of people. He then went on to state:

"We must recognize that some of the assumptions that we have used in the response to the request from the OII to come up with the most feasible and economic plan were based upon information that was either received through the SCR-36 or through the OII itself.

"The plan that we have come up with is based upon those particular assumptions.

"But your analogy, that would be like establishing a network for a city of 235,000 would be correct with the added proviso, however, we must realize that we would not be establishing just one bilingual board to serve the entire state, but that there would be bilingual operator positions that would be established in several locations in the state."

Witness McAvoy stated Pacific did not agree with the demand assumption that there is an unmet service demand from 569,000 monolingual Spanish persons. On cross-examination he was asked to explain the disparity between the present number of Spanish only calls that are presently handled by ESLAB and Pacific's "O" operators and the projection of 65,434 calls per day under the full bilingual services proposal. He answered:

"I think that disparity is very simply stated; and we have stated it a number of times in the record.

"Pacific feels there is no unmet demand, that the traffic that is being handled by bilingual operators, being handled by ESLAB, and being dialed by the customers today, that there is no unmet demand at that particular point.

"Our studies, based upon this Commission's order and the parameters that were given us by the Senate Bill 411, or the Senate Concurrent Resolution 36, indicated a demand from 569,000 monolingual Spanish speaking persons at an annual cost of \$33 million.

"Now, I have no evidence that this demand exists nor that the expenditure is warranted."

The staff had hoped that Pacific would derive facts and figures that would give the Commission an accurate estimate of what Pacific believes these costs are. Instead, Pacific related that it took the assumptions in the OII and based its report on these assumptions.

Pacific's cost estimates assume that Spanish-speaking persons presently utilize the "O" operator less than the average usage figures of English-speaking customers. Based upon average figures, 569,000 persons would be expected to generate approximately 21,000,000 toll and operator-assisted calls in a year.

The staff contended that if Pacific would expect no increase in demand if it provided bilingual operator service, then the costs of implementing such a service would be greatly reduced. The staff counsel stated that he believes there are insufficient facts in the record to determine accurate estimates of the real costs of this proposed service.

The staff argued that Pacific's cost estimates include duplicative costs. If the methodology of estimating the costs is similar to providing service to a new community, some of the costs include services that would have to be provided even if these 569,000 persons could speak English. The staff asserts that the true costs of providing Pacific's most economical bilingual operator service plan is \$24 million instead of the \$33 million estimated by Pacific.

Pacific's witness also testified that based upon its assumptions of providing service to 569,000 monolingual users, an additional \$12 million a year in gross revenue would be generated. This estimate is based on the assumption that these monolingual persons' phone calling patterns would be the same as the statewide average and that they would place 21,000,000 toll calls in a year. Thus, under full bilingual operator services, there would be additional costs to the ratepayer of at least \$21 million.

The staff points out that there are certain hidden costs in the present serving arrangements of Pacific that should be recognized if one is to truly determine whether bilingual service is economical. For instance, a non-English-speaking, Spanish-speaking person who attempts to place an operator-assisted call probably utilizes an operator's time more than an English-speaking person. This is especially true, for instance, in

situations in which an "O" operator must access ESLAB in order to obtain a translation service. Likewise, it is possible once the operator has ESLAB she will be unable to complete the call for the Spanish-speaking caller, thus generating no revenue for the company. The extent to which these types of problems occur is not known, but the staff believes they should be recognized in determining whether bilingual services should be provided.

6. The Staff's Recommendations

The staff's report (Exhibit 67) contains several recommendations and conclusions concerning ESLAB.

As to whether there is a continuing need for ESLAB, both the staff and Pacific concluded that although ESLAB is presently an effective, reasonable cost method of providing aid on emergency calls (Exhibit 67, p. 15, items G(6) and I), eventually universal "911" service with emergency information provided to the public should largely eliminate problems related to emergency calls made by non-English-speaking persons (Exhibit 67, p. 14, item C). However, until that occurs, Pacific agrees that ESLAB should continue to assist Pacific's operators in completing Spanish language calls to emergency agencies (Exhibit 67, p. 15, item G).

The staff also recommends that ESLAB should be made an emergency only service (Exhibit 67, p. 15, item G(1)); that notice of this emergency only ESLAB service should be provided in all of Pacific's directories and in a one-time bill insert (Exhibit 67, p. 15, item G(4)); that all of Pacific's operators should be informed of ESLAB service (Exhibit 67, p. 15, item G(3)); and in the case of emergency calls, that Pacific should provide translation services once the call is completed (Exhibit 67, p. 15, item F). The staff's report also discussed the possibility of charging a fixed rate for ESLAB assistance (Exhibit 67, p. 13, item 9).

It has been Pacific's position and practice since ESLAB was established that it was intended to assist its operators in completing calls to emergency agencies from Spanish-speaking persons who were not able to speak English. The staff acknowledges this. The record only shows that a small percentage of the calls to ESLAB are identified as calls to emergency agencies or as other emergency type calls. However, since Pacific does not screen calls to ESLAB, there is no way of knowing how many of the calls not identified by the caller as an emergency are actually emergency calls.

The staff suggests that the ESLAB assistant, in obtaining the details from the caller necessary to complete the call, also inquire whether the call is emergency in nature. One possibility is that if the call was not an emergency, the ESLAB assistant could inform Pacific's operator of this fact and that operator could then charge the caller for the call. The charge would be approximately 25 cents per call (based on current costs and volumes), or for such non-emergency calls, the caller could be informed that ESLAB was an emergency only service. It appears that the only way that such a system could be administered properly would be for the ESLAB assistant to accept the statement of the caller that the call was in fact an emergency, since what constitutes an emergency is subjective and varies from person-to-person.

Pacific does not agree that notice of this ESLAB service should be provided in all of its directories nor in a one-time bill insert. Pacific argues that advertising the availability of ESLAB would be counterproductive in that it would encourage Spanish-speaking persons to place emergency calls in the slowest rather than the fastest manner possible and that the fastest way to reach an emergency agency is to dial "911", or the seven-digit number. However, Pacific thinks that it is reasonable to continue to inform all of its operators of the procedures for utilizing ESLAB assistance.

On cross-examination, staff witness Pepler explained that by suggesting that Pacific should provide translation services on emergency calls only when the call is completed, he meant only that Pacific's operator should convey any details concerning the emergency which were previously obtained from the ESLAB operator. To construe the suggestion differently would render it meaningless, since the ESLAB operator cannot remain on the line once the call is completed by Pacific's operator, and under this arrangement Pacific's operator has no bilingual translation capability. Pacific voluntarily follows this procedure on call to emergency agencies, although it is beyond Pacific's duty to do so. As both the staff and Pacific witnesses testified, this has always been Pacific's

policy and standard operating procedure on calls to emergency agencies, regardless of whether the caller is an English-speaking caller or a non-English-speaking, Spanish-speaking caller. In an emergency situation such as a fire, Pacific's operator would use the information obtained to connect the call to the fire department, and would, if necessary, communicate this information to the fire department. In an emergency situation, Pacific's operators (and the ESLAB assistants) are instructed to obtain the caller's name, address, telephone number, and the nature of the emergency while connecting to the emergency agency requested.

The staff also suggests that ESLAB service quality should be monitored as closely as Pacific's operator services in order to insure good service. Because ESLAB is primarily intended to handle emergency requests and to provide a critical service to public safety in time of crisis this is a reasonable suggestion and we will so order.

Finally, the staff suggests that the ESLAB assistance be expanded in two particulars: (1) that Pacific should establish a goal whereby ESLAB should attempt to answer 95 percent of all emergency calls within 60 seconds (Exhibit 67, p. 15, item G(8)); and (2) that ESLAB should be expanded in scope to assist Pacific's operators in completing emergency calls from non-English-speaking persons who speak Chinese or Tagalog or Japanese (Exhibit 67, p. 15, item G(2)).

Pacific's witness McAvoy testified that Pacific is doing everything it can to attempt to attain the present standard for ESLAB, i.e., to answer 90 percent of the calls within 60 seconds. This current objective is very stringent, and both the staff and Pacific recognize that Pacific is having difficulty trying to obtain this objective. When cross-examined on this recommendation, staff witness Peppler admitted that he did no analysis of the incremental work-time required for a Pacific "O" operator to reach a bilingual operator at ESLAB to determine whether the standard which he proposed is feasible.

As to the staff's recommendation that ESLAB should be expanded in scope to assist Pacific's operators in completing emergency calls from non-English-speaking persons who speak Chinese or Tagalog or Japanese, staff witness Pepler admitted that he had no facts on which to base an opinion that such Japanese monolingual persons constituted a substantial percentage of the population in Pacific's serving areas, as required by the OII and Senate Concurrent Resolution No. 36. Pacific's report filed with the Commission on December 19, 1975 shows that Chinese comprise 8 percent of the population and Filipinos 3.5 percent in the San Francisco directory serving area (Exhibit 17, Section I, Exhibit A). Pacific's exhibit points out that the percentage of non-English-speaking Chinese and Filipinos is somewhat lower than these percentages. It further notes that English is taught in Filipino schools, the Greater Manila Telephone Directory is printed in English, English is the language of Filipino ballots, and the Filipino newspaper printed in San Francisco is in English.

With respect to the Chinese-speaking minority in Pacific's San Francisco directory area, we concluded earlier that the record does not support a finding that they exceed 3 percent of the population. However, there is sufficient testimony to establish that their numbers are sizable and that they face unique language problems. Witness Henry Der and others testified at length about the difficulties the non-English-speaking Chinese have in reaching emergency services in San Francisco.

B. General Telephone Company**1. Present Serving Arrangement**

Presently General does not furnish a full-bilingual operator service to its Spanish-speaking customers. General does, however, attempt to provide its operators with tools that can be used when handling a Spanish-speaking call. This tool is a series of "key" cards of Spanish phrases and numbers. According to General's witness, "These cards are available at every toll operator position. They contain general phrases, emergency phrases and numbers. Each card has three columns. The phrase or number is first written in English. The phrase or number is written in Spanish, then the phrase or number is written as phonetically pronounced." Exhibit 41 contains a copy of these key cards. General's witness also indicated that in those offices where a call can be interpositioned and there is a Spanish-speaking operator, an English-speaking operator who receives a Spanish-speaking call will attempt to transfer the call to the Spanish-speaking operator.

From time to time, General has distributed special billing inserts and posted signs in its public offices, written in English and Spanish, concerning various informational material such as, for example, the location of authorized payment locations in the community. In 1975 General mailed its customers in the Santa Maria area a nine-page booklet, in English and Spanish, on the new direct distance dialing procedure. In 1974 General began placing notices written in Spanish and English in its public offices informing its customers that the office will be closed for a legal holiday (Exhibit 41, No. 5). In 1972 General developed a public office sign holder and card in Spanish for placement in its public offices advising its customers that a Spanish-speaking employee is available to assist them (Exhibit 41, No. 6). Dial number cards, giving

instructions in English and Spanish on how to attach the adhesive dial number card to the telephone instrument, were developed in 1973 (Exhibit 41, No. 8). General distributes in its public offices a booklet entitled "May We Help You" written in English and Spanish concerning bill, directory, and repair service information (Exhibit 41, No. 7). General also distributes a booklet to its installation and repair employees containing simple phrases in English and Spanish which cover the various situations most likely to be encountered by General's personnel during installation and repair of telephones (Exhibit 41, No. 4).

2. General's Full Bilingual Operating Plans

General presented two alternative plans to service the monolingual Spanish-speaking persons in its service territory. It considered these plans to be the most economic and efficient methods for providing full bilingual operator service.

General's first alternative is based on the concept of staffing each traffic office with sufficient bilingual operators to handle the traffic demand of the Spanish-speaking callers. Based on exchange areas containing three percent or more of monolingual Spanish-speaking persons, General would have to staff bilingual Spanish-speaking operators in 19 exchanges. Ten exchanges would have to be staffed with Spanish-speaking operators where the Spanish-speaking population is five percent or more.

To determine the number of bilingual operator positions that would be needed for each traffic office, General took the results of a November 1974 study that measured the percentage of Spanish-speaking calls received in each traffic office. With this information, General was then able to determine the number of operators needed to provide the service by taking into consideration such factors as board load, distribution of calls

during periods of the day, the hours worked by each operator, the number of operators on the payroll, and the number of operators on the board.

The cost of this serving arrangement was developed by first determining the present number of Spanish-speaking operators willing to speak Spanish on calls. This number was then subtracted from the number of required Spanish-speaking operators, and the result determined the number of Spanish-speaking operators to be hired and trained.

For their bilingual skills, General assumed its bilingual Spanish-speaking operators would be paid a pay differential of 10 percent. It then took the average wage of present operators, plus the 10 percent pay differential, and 20 percent for fringe benefits to determine the costs of bilingual operators, estimated to be about \$11,000 per operator. In addition, it was assumed that the training of new operators would cost \$550 per operator. The total cost for providing bilingual service for the first year was estimated at \$841,650 for full service throughout its serving territory, and \$318,000 for service in exchanges where three percent or more of the population speaks only Spanish.

The second alternative serving arrangement proposed by General would handle Spanish-speaking calls through a centralized interpreting office essentially the same as Pacific's ESLAB operation as described above. General estimated the cost of establishing this kind of service is \$376,570 a year.

3. The Staff's Evaluation

With respect to the first alternative serving plan proposed by General, the staff believes that there are technical reasons why this plan would not work in all of General's serving areas. General has implemented an automatic system of distributing

incoming calls to an available operator within certain traffic offices. This system is known as the Traffic Service Position System (TSPS). Thus a caller may dial the "0" operator in one exchange and the answering "0" operator may be located in another exchange. If the second exchange is one that did not qualify for bilingual service, it is very likely that there would be no bilingual operator located in this exchange to handle the call.

Secondly, even assuming there was a bilingual operator who could handle the call, under present TSPS operating conditions, operators have limited abilities to interposition transfer incoming telephone calls. Thus an English-speaking operator in a TSPS office who receives a Spanish-speaking call, may not be able to transfer the call to a Spanish-speaking operator and the Spanish-speaking caller would not be able to obtain any operator service. Under General's plan it would only cost about 49 cents per customer, as opposed to \$1.97 per customer under Pacific's most economic plan. One reason for such a cost disparity is that Pacific assumed that the monolingual Spanish-speaking customer would make the same number of operator calls per customer as the statewide average, whereas General assumed current Spanish call volumes.

The staff believes that there would be an increase in demand for operator services if a full bilingual operator service plan were implemented. Pacific's witness testified that studies it had conducted showed that Spanish-speaking individuals utilize operator services on the same average as English-speaking callers. This conclusion is supported by the public witness testimony in this proceeding which documented that non-English-speaking callers use bilingual persons to place operator-assisted phone calls. The staff believes that non-English-speaking persons who presently utilize others to place phone calls would place those calls

themselves if a full bilingual operator service were offered and there would be an increase in demand for the service of Spanish-speaking operators. To the extent this would occur General's costs estimates are understated.

In addition, General's cost estimate is understated in that it does not include the cost of additional equipment needed to provide its service; it also fails to include the additional floor space costs these new operators would require.

Although the staff believes General's "O" operators should be encouraged to utilize key phrase cards to communicate with Spanish-speaking callers, there are certain drawbacks to the use of these cards. One problem is that only limited communication can take place. Another problem is having the "O" operator understand the caller's pronunciation of words, and having the caller understand the operator's Spanish pronunciations. A Pacific operator best described the potential problems of utilizing key phrase cards:

"The trouble with speaking just a little Spanish, as soon as you speak a little Spanish, the other person starts speaking a lot of Spanish and you are lost; because we can give some information using these phrases, if they say the right thing back, we can do it. If they don't we are lost.

"It is good for basic calls, like calling within the area, maybe a collect call to a place you would understand, like Santa Ana. It is not an end-all-be-all.

"But it would help on probably prob, 70, 75 percent of the little calls we get."

4. The Staff's Recommendation

It is the opinion of staff that General should be required to implement its own centralized translation bureau or attempt to interconnect with Pacific's ESLAB operation. It is the staff's belief that General's full bilingual operator serving plan is technically impractical to operate and the costs are higher than those developed in this record. An ESLAB type of operation for General's serving territory will help to assure operator emergency assistance service and will aid the ability of a non-English-speaking caller to utilize operator services.

Charles V. McAvoy, Pacific's witness, testified that it would be technically feasible to expand the ESLAB operation so that other telephone utilities in California may partake of the interpreting services presently offered by ESLAB to Pacific's operator and customers. He further testified, however, as follows in response to a question by Lionel Wilson, Commission staff counsel:

"Q. Would the implementation technically of allowing other telephone utilities to use the ESLAB operation be a costly one as far as expenses are concerned or capital equipment?"

"A. Yes, it would be costly in that you would have to expand the number of positions to handle the traffic, you'd have to expand the number of circuits that go into the call-distributing equipment, and, of course, you'd have to hire more people at ESLAB in order to handle that equipment."

"So, it would be expensive to that extent."

Since ESLAB is not set up to give directory assistance service, its value to directory assistance operators is drastically curtailed. Though it is possible to design ESLAB so that its services are also provided to directory assistance operators, the witness stated:

"[i]t would be a very, very expensive way to get directory assistance, and not only that, but you would have to be passing information from a Spanish operator to an English operator who would then have to pass it to a directory assistance operator which would require three operators on a given connection in order to give the service.

"It would be an enormously expensive operation."

We note here that the costs of requiring General to either share Pacific's ESLAB or to establish an ESLAB-type service of its own, to the extent such costs were explored, did not appear unreasonable in light of the customer benefits which would accrue.

C. Continental Telephone Company

Continental presently does not provide bilingual operator services and does not provide any of its operators with key phrase cards to utilize when communicating with a non-English-speaking caller. In emergency situations, if an operator cannot communicate with a caller, the operator is instructed to call the supervisor and let the supervisor handle the call.

Based on Continental's estimates of non-English-speaking persons served, the only non-English-speaking group that would qualify for bilingual operator service is the Spanish-speaking. Continental's witness Mathews testified that nine of Continental's serving areas contain a Spanish-speaking population of three percent, or more.

Continental's plan for providing bilingual operator service is similar to General's. It would schedule bilingual operators on an around-the-clock basis in the nine traffic centers that would qualify under the three percent criterion. Furthermore, Continental would have to staff eight separate directory assistance centers. ✓

The staff recommends that Continental be required to provide a centralized translating bureau for Spanish-speaking callers or utilize Pacific's ESLAB service. It believes that such a service is needed to provide emergency telephone service for Continental's Spanish-speaking customers. Also, such service is especially needed in places like Dos Palos where Continental estimates that over 47 percent of the population's mother tongue is Spanish. ✓

D. Staff's ESLAB-Sharing Recommendation ✓

We now turn to the staff's recommendation that all respondent telephone utilities be required to report on the feasibility of using ESLAB on a cooperative basis or, alternatively, to establish similar services of their own. As we have previously noted, at least two respondent telephone utilities, Evans Telephone Company and Livingston Telephone Company, are provided their operator services by Pacific. Continental and General, on the other hand, presently have no service substantially similar to ESLAB. As we have discussed above, both Continental and General have service areas wherein a substantial portion of the population is non-English-speaking. General has taken limited steps to accommodate the needs of its non-English-speaking, Spanish-speaking subscribers. The record is clear, however, that neither Continental's nor General's present procedure guarantee that bilingual Spanish-speaking operator service will be available at all times for emergencies, only that it is provided on an as-available basis. Moreover, for those areas where the percentage of Spanish-speaking people is low, bilingual emergency assistance may be infrequent or nonexistent. Pacific's ESLAB service, in contrast, is available at all times to all Pacific's customers in California.

XIV. BILINGUAL TELEPHONE BOOTH CARDS

A. Pacific Telephone Company

Pacific presently provides bilingual telephone booth card inserts in public telephone booths in 44 exchanges. It has proposed that each coin telephone in a qualifying directory serving area be equipped with what appears to be a mirror image of the English insert cards (page 2, Part E of Exhibit 17). Pacific's bilingual coin telephone insert cards would be separately mounted in each coin telephone. Pacific's stated reason in Exhibit 17 is:

"Pacific has concluded that bilingual cards (English and Spanish on the same card) would so compress the copy space available in the limited dimensions of the coin telephone instruction card space as to seriously depreciate its value for either English or Spanish speaking users. Good graphics design and reasonable size of type is important in order to gain maximum customer acceptance and understanding. Both languages on a single card could therefore result in increased assistance calls to our operators and a lessening of acceptance of 0 plus versus 0 minus calling in TSPS systems."

The staff argues that Pacific's concerns are unwarranted; that if good graphics and design could create telephone booth insert cards acceptable to English readers, good graphics and design could create an acceptable bilingual card. In some of Pacific's telephone booths, the insert cards direct English-speaking callers to call the operator in case of fire, ambulance, or police emergency. The staff contends that upon dialing the operator in such a case the non-English-speaking caller should be provided translation service similar to ESLAB.

Pacific estimates a one-time conversion cost of \$216,000 and a recurring annual cost of \$27,000 for placing non-English language cards in telephone booths where three percent or more of the population is Spanish-speaking. The staff contends that most of the conversion costs are for installing new brackets to hold the separate Spanish language insert card, so a substantial portion of these costs could be avoided by designing one bilingual card.

B. General and Continental Telephone Companies

General and Continental are presently providing Spanish/English telephone booth insert cards in several of their service areas. Exhibit 41 included samples of these insert cards that General uses in Indio, Palm Desert, Redlands, Oxnard, and Santa Paula. General has estimated the cost of including such inserts in telephone booths in areas where three percent or more of the population are monolingual Spanish speakers to be \$5,200, and in areas of five percent or more, \$1,900. Similar estimates for Continental are \$4,276 and \$1,387, respectively.

C. Staff Recommendation

The staff believes the costs of providing this service are minimal, and Pacific, General, and Continental should be required to implement this policy in all service areas where the Spanish-speaking population is three percent, or more.

XV. BILINGUAL TELEPHONE DIRECTORIES

A. Pacific Telephone Company

1. Bilingual Directory Proposals

Pacific does not include in any of its directories either bilingual introductory pages or bilingual yellow pages. In the past Pacific provided bilingual directory-introductory-insert pages for certain selected exchanges but has discontinued this practice.

In response to the OII Pacific's study included two proposals for making changes in directories. These proposals were made after Pacific's Directory Department had identified, examined, and evaluated possible alternatives for the development and design of bilingual pages and listings in telephone directories.

The first proposal is to include in Spanish a full mirror image translation of the introductory pages to the phone directory. This would mean that the first twenty-five pages of Pacific's normal directory would be repeated immediately thereafter in Spanish.

Pacific estimated that it would cost about \$109,000 to convert present directories to include these bilingual introductory pages, and that there would be an added annual ongoing cost of about \$307,000. These costs were estimated on the basis that Pacific would have to print about 7,915,000 directories in those serving areas where the Spanish-speaking population was three percent or more. For those serving areas where the Spanish-speaking population is five percent or more, Pacific would only have to print about 4,192,000 directories.

The second proposal is to include in the classified pages bilingual listings for hospitals, ambulance service, and governmental agencies. Pacific estimated that in areas where the Spanish-speaking population is three percent or more, the conversion costs for this change would be about \$307,000 and the annual cost would be about \$617,000.

Pacific's witness indicated that at present it is possible to advertise in the yellow pages in Spanish so that if a customer wishes to place such a listing, Pacific will publish it. This policy also extends to other foreign languages.

2. Staff Evaluation and Recommendation

The staff believes that the changes as proposed by Pacific are unnecessary and uneconomical. Staff's position in this case has been to urge those bilingual services that will protect the health and safety of California ratepayers and allow all ratepayers to use their telephone service most economically and efficiently.

To meet the needs of California's non-English-speaking community, primarily the Spanish-speaking, staff does not believe it is necessary to provide mirror images of the first twenty-five pages of a phone directory in both English and Spanish.

The staff believes that the public witness testimony in this proceeding shows that there is a need for emergency information and dialing instructions in areas where the monolingual Spanish-speaking community is three percent or more of the population. Staff does not believe there was any witness, however, who testified or stated that there was a need to provide bilingual information as to local and nearby dialing areas, nearby rates, prefix locations, and long distance rates. Certainly it would be more economical to just include several such pages as opposed to twenty-five. Moreover, health, safety, and efficiency do not require the inclusion of additional directory pages.

The staff also believes that it could be uneconomical to provide bilingual listings for hospitals, ambulances, and governmental agencies, and contends that its recommendation of having a telephone company provide a bilingual cross-reference index that includes governmental and emergency information would not

only enable non-English speakers to utilize hospital and governmental agency portions of the classified sections in the telephone directory, but would enable them to use all of the classified sections. Such a booklet could be made available on request and is more economical to provide. Pacific estimated the cost to print this cross-reference booklet is about \$262,000.

B. General Telephone Company

1. Bilingual Directory Proposal

General presently provides bilingual introductory pages in some of its telephone directories. It estimated it would cost \$140,535 to publish bilingual dialing and rate information, emergency information, listings for emergency-related public and private agencies, and listings for all other governmental agencies in those directory serving areas where three percent or more are Spanish-speaking. This cost represents 29 separate directories with a total distribution of 1,769,000 copies. In areas where the Spanish-speaking population is five percent or more, General estimated this cost to be \$116,381.

General also computed the cost to convert to Spanish all existing main classified headings and the appropriate cross-references. The cost for this is about \$156,000 in areas of three percent or more, and for areas of five percent or more, the estimated cost is \$129,000. This type of reference booklet is similar to the staff's recommendation of a cross-reference index.

2. Staff's Recommendation

Staff recommends that General be required to print bilingual emergency and dialing information in introductory directory pages for those serving areas where three percent or more of the population is Spanish-speaking. It should also be required to make available a bilingual cross-reference index for these same serving areas.

C. Continental Telephone Company

1. Bilingual Directory Proposal

As indicated in its response to the Commission, Continental has provided bilingual instruction pages in seven of the 13 telephone directories in those areas where three percent or more of the population is non-English-speaking. In fact, Continental's submission shows certain introductory pages of the Gilroy directory that are written in Spanish. These pages include an index to the directory, emergency dialing information, long distance dialing instructions, and general information about phone usage. It appears that Continental is not opposed to including these types of pages in additional directory serving areas.

The staff agrees with Continental's contention that if a mirror translation of all the introductory pages are provided in a language other than English, these pages would then become lengthy, but does not understand how, if certain introductory pages are not complicated and difficult to understand in English, why a mirror image translation in another language would be complicated and too difficult to understand.

The staff also agrees with the contention that persons who would have no need of bilingual introductory pages will receive these pages in their directories if they live in a qualifying area, but believes that such a situation would present no problems to these individuals as they would just ignore the bilingual portion of their directory.

2. Staff Recommendation

The staff recommends that Continental should be required to expand its practice of including Spanish language directory introductory pages to those directory serving areas where it has identified that three percent or more of the population speak Spanish, and should also be required to print, and distribute on request, a Spanish language directory cross-reference index.

XVI. PAYMENT FOR FULL BILINGUAL SERVICES.

It is Pacific's position, as well as that of the Commission staff, other respondents, and numerous public witnesses, that if full bilingual operator service is mandated, then the cost of providing the service should be borne by those receiving the service. The general ratepaying public should not be required to subsidize this special service to be utilized by a small percentage of all customers (Exhibit 67, p. 15, item J).

XVII. RECOMMENDATIONS BY SENATOR GARCIA'S OFFICE.

Robert Ryan, on behalf of Senator Garcia's office, made the following recommendations which we will now address.

Mr. Ryan recommended that we order staff to conduct a thorough and independent cost and feasibility study into the hiring of bilingual operators sufficient to meet the customer demand for the commonly spoken languages in this state.

Mr. Ryan recommended that we order staff to conduct a thorough and independent cost and feasibility study into the modification of TSPS, cordboard and directory assistance (CAG) equipment to provide for the interposition transfer in traffic offices. The thrust of the proposal for interposition call transfer capacity is that operators in TSPS traffic offices could transfer foreign language calls to any bilingual operator on duty, thus enabling the maximum use of bilingual operators to assist the public. From an operational standpoint it would appear that telephone utilities should seriously consider this recommendation. It appears its adoption, if feasible and cost effective, could contribute to better service for the non-English-speaking. We are reluctant to issue directives on utility operating practices unless it is absolutely necessary and will result in meaningfully better service or more reasonable rates to the public.

It was recommended that we order the three percent language minority group standard to be used as a guide for identifying areas of need, provided that special consideration be given to non-English-speaking groups in urban areas whose percentage of the population in a directory service area or exchange area is less than three percent, but whose population is significant enough to warrant improvements in service.

It is recommended that we reject Pacific's formula for calculating the number of Chinese-speaking persons in San Francisco and find that this language minority group exceeds the three percent standard established in this case. We are not persuaded by the evidence that Pacific's formula is unreasonable. We do believe, however, that the evidence and testimony presented establish that this language minority is sizable and that it encounters unique difficulties in obtaining emergency telephone service.

Mr Ryan recommended certain changes in areas having three percent language minority groups. He recommended that we order Pacific to provide full centralized interpreter bureau service in Chinese, Japanese, and Tagalog.

It was recommended that we order General and Continental to create their own centralized interpreter bureaus or merge with Pacific's ESLAB as a first step towards full bilingual operator service, with the final decision on the serving arrangement based on what would be the most adequate, efficient, just, and reasonable way to furnish service to the non-English-speaking public.

It was recommended that we order the Emergency Spanish Language Assistance Bureau (ESLAB) to be renamed the "Non-English Language Assistance Bureau" (NELAB) to more accurately reflect its functions and the languages it would serve. Although it would appear that such a name change might be appropriate, we will let the utilities decide what to call this bureau.

It is recommended that we order that 95 percent of all non-English language calls be answered within 60 seconds, and that quarterly tests be conducted by bilingual persons either from the Commission staff or employed by a qualified firm selected by the Commission without consultation with and telephone company, with the results to be submitted to the Commission. This recommendation concerns ESLAB. Some improvements to ESLAB would have to be made to meet that level of service.

It is recommended that we order the respondents' operators to be advised of ESLAB (and of any changes in ESLAB,) and that such changes be subject to Commission approval. We need not specifically make the order recommended for we believe the respondent utilities have every reason to educate their traffic department personnel concerning ESLAB. If the respondent utilities wish to substantially modify ESLAB and pursue alternatives for providing bilingual service, or if interested parties desire changes, they may seek such relief in the future.

It is recommended that we order staff to update information on three percent areas and review the respondents' methodologies for calculating the population of language minority groups as soon as more current and reliable census data is available. Such an order is not necessary. Our staff knows its responsibilities. If interested parties believe the respondents are not properly indentifying areas with foreign language populations, they may bring it to the attention of the staff or to this Commission.

It is recommended that we order monitoring of the service quality of ESLAB either by bilingual personnel from the Commission staff or employed by a qualified firm selected solely by the Commission, without consultation with any telephone company at any time. We shall leave it to our staff to investigate compliance with the authorized service objectives. If the staff desires special bilingual personnel or consultants for this task, it may undertake to procure them.

It is recommended that we order that respondents' operators, while being monitored for average work time (AWT) performance, be permitted to notify supervisory personnel when they are handling a non-English language call, and that the respondents allow for an appropriate adjustment to be made on such operators' AWT scores. Unless it is demonstrated that we should enter such orders to benefit the public interest we will not do so.

It is recommended that we order the respondents to provide language skills compensation to bilingual personnel who use their skills in the performance of their work, and direct respondents to establish a language certification process to determine language proficiency, and order the respondents to make good faith efforts to employ more bilingual installers and business office personnel. Again, these recommendations would have us interfere in management of the respondent utilities, without, in our opinion, a strong showing on the public interest to be served. We would expect that the respondents will employ, if available, adequate numbers of bilingual business office customer service representatives because it will possibly facilitate the promotion of profitable optional services and terminal equipment.

Conclusion

The foregoing exposition of the record made to date, in Case No. 9976, and this discussion, serves as the report to the Legislature called for by Senate Concurrent Resolution No. 36.

It is evident that action is required on our part and on the part of the respondent telephone utilities to insure adequate telephone service for those potential users in California who because of their language limitations are now unable to make more than minimal use of the telephone communication network. It is also evident that a severe dichotomy exists as to the course our action should take, as well as the resulting cost, and how that cost should be spread among the respondents' customers.

Since Senate Concurrent Resolution No. 36 specifically calls for a report to the Legislature we are separating that act from our direction to the respondent companies for corrective action. Within two months from the date of this report we will issue a second interim opinion which will require an upgrade of the telephone service available to some of the monolingual foreign speaking population of California.

The Legislature has properly guided us into a most complex problem, one that while difficult is within our province to resolve. We do not intend to shirk this responsibility. We thank the multitude of persons who have appeared before us to date for aiding in the understanding of the issue and suggesting solutions. We expect their participation to continue, in any future hearings we may have on these issues, but we must caution all concerned that the steps we eventually take will not be wholly acceptable to all such parties; such is the nature of the issue.

INTERIM ORDER

IT IS ORDERED that:

1. This Interim Opinion in Case No. 9976 shall be transmitted this date to the California Legislature by the Executive Director as the report of the California Public Utilities Commission in compliance with Senate Concurrent Resolution No. 36 of the 1975 legislative session.

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2. Case No. 9976 shall remain open for further action by the Commission to improve the adequacy of telephone service to the foreign speaking monolingual population of California.

The effective date of this order is the date hereof.

Dated at San Diego, California, this 31st day of JANUARY, 1978.

Robert Batminal
President
William Agnew
Richard D. Cavale
Clare J. Dedrick
Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.