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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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

Application No. 53587

And Related Matters. (Re: Tax Reserve Matters)

Application No. 51774
Application No. 55214
Case No. 9503
Case No. 9802
Case No. 9832
Application No. 51904
Application No. 53935
Case No. 9100
Case No. 9504
Case No. 9578

RULING ON A MOTION BY THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY

On January 9, 1978 the Pacific Telephone and Telegraph Company (Pacific) filed a motion in these proceedings to have this Commission direct its staff to join with Pacific in a motion to the California Supreme Court asking that S.F. No. 23746 and S.F. No. 23745 be remanded to this Commission for reconsideration of Decision No. 87838.

As a basis for such an order, Pacific points to a letter from the Internal Revenue Service (IRS), dated June 8, 1978 responding to Pacific's request for a ruling inter alia, as to the effect of Decision No. 87838 on Pacific's eligibility to use accelerated depreciation and depreciation based on Class Lives Asset Depreciation Range system for post 1970 public utility property.

We have considered Pacific's motion and the subject letter from the IRS and believe the letter adds nothing new to these proceedings. Therefore, we deny Pacific's motion to order the Staff to join in a motion to the California Supreme Court asking that S.F. No. 23746 and S.F. No. 23745 be remanded to the Commission.

The effective date of this ruling is the date hereof.

Dated at San Francisco, California, this 13th day of JUNE, 1978.

I dissent.
William Synovs Jr.

I dissent
Vernon L. Sturgeon

Robert Butman
President

Robert D. Gault
Caro J. DeSilva
Commissioner