

ORIGINAL

Decision No. 90377 JUN 5 1979

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of The Pacific Telephone and Telegraph Company, a corporation, for telephone service rate increases to cover increased costs in providing telephone service.

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

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

Case No. 10001
(Filed November 12, 1975)

ORDER DENYING MODIFICATION OF DECISION NO. 88232

The Pacific Telephone and Telegraph Company (Pacific) petitions to modify Decision No. 88232, issued December 13, 1977, relative to its provisions on the termination of manually operated mobile telephone service.

Ordering Paragraph 19 of that decision reads:

"19. Within twenty-four months of the effective date of this order, Pacific shall replace its existing manually operated mobile systems with IMTS. Service to existing mobile stations not equipped for IMTS shall be terminated thirty-six months after the effective date of this order. Within sixty days of such effective date, Pacific shall notify its mobile service customers of such conversion."

IMTS stands for "Improved Mobile Telephone service".

We stated in Decision No. 88232 (slip opinion, page 126):

"Because IMTS will require a major change of mobile station equipment, customers owning their own mobile stations should be given advance notice of the requirement for replacement or conversion of their equipment to the IMTS type automatic dial operation. Our order provides a three-year conversion period to allow customers to amortize their existing investment. Pacific will be ordered to give prompt notice of this conversion."

We thus provided for a conversion period in which there will be parallel operation of manual and IMTS mobile service. Pacific states in its petition that such dual operation will cause the following problems:

1. Units which are not equipped for IMTS operation (manual units) can interfere with data exchanges between an IMTS unit and the system controller (the EMX) causing, in turn, billing errors.
2. A customer operating in the manual mode has an advantage over an IMTS customer in that the manual unit can "seize" vacant channels.
3. In congested mobile service areas, the aforementioned problems would severely impair the operation of the IMTS system if concurrent operation of a manual system is required. The problem might be magnified by creating incentives for customers with IMTS units to operate in the manual mode.

Because of the above difficulties, Pacific requests that we order conversion to IMTS without a period of dual operation.

According to the petition, a recent survey by Pacific shows that only about 10 percent of Pacific's customers will not be able to use the IMTS system without modifying their present equipment or obtaining different equipment. Pacific is of the opinion that the ability of those few customers to use manual units for one additional year must be balanced against the potential for severe disruption to the IMTS service.

Pacific has served its petition on the appearances in this proceeding. Specifically, the petition requests that we modify Ordering Paragraph 19 of Decision No. 88232 to effectuate total conversion. Pacific's particular suggestion would give the minority of mobile telephone users still employing manual units less than a year's notice of this modification, because more than a year has elapsed since the effective date of Decision No. 88232. One protest on behalf of certain mobile users was filed, requesting a hearing. However, in a subsequent letter, protestants stated that there is no objection to an ex parte decision on the subject provided that the mandatory date for conversion to IMTS is not advanced.

The issue raised in this petition has now also been raised in OII No. 20, entitled "Investigation on the Commission's own motion into the rates, rules, charges, operations, practices, service and facilities associated with mobile radiotelephone service provided by The Pacific Telephone and Telegraph Company and General Telephone Company of California". We believe it is more appropriate to consider the question in that proceeding, in which hearings are still pending, and we find that the petition should be denied without prejudice to present the Commission with the subject matter in OII No. 20.

A.55492, C.10001 ks

IT IS ORDERED that The Pacific Telephone and Telegraph Company's petition to modify Decision No. 88232 relative to its provisions on the termination of manually operated mobile telephone service is denied without prejudice to present the Commission with the issue in OII No. 20.

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

Dated at San Francisco, California, this 5th day of JUNE, 1979.

John G. Bryan
President
William L. Thompson
Charles D. Howell
Alfred J. ...
Lionel M. ...
Commissioners