Decision No. <u>S1062 NOV 20 1979</u>

. OBIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CANIFORNIA WINDLE

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. 58223 (Filed July 14, 1978)

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.

OII No. 21 (Filed July 25, 1978)

Investigation on the Commission's own ) motion into the effect of the enactment ) of the Revenue Act of 1978 on the rates ) of the California public utilities and ) transportation companies subject to the ) ratemaking power of the Commission named) in Appendices A and B attached hereto. )

OII No. 33 (Filed December 12, 1978)

## ORDER MODIFYING DECISION NO. 90919

On October 8, 1979, the Cities of San Francisco, Los Angeles, and San Diego (Cities) filed with the Commission a petition for stay and rehearing of Decision No. 90919. On October 9, 1979, the Cities filed with the California Supreme Court a petition for stay and for writ of review of Decisions Nos. 90642 and 90919. The Commission has reviewed the petition for stay and is of the opinion that the rates authorized by Decision No. 90919, which became effective October 30, 1979, should not be suspended. However, because of the

MBH A. 58223, OII No. 21, OII No. 33

pendency of the above appeals, which raise substantial questions requiring further analysis, the Commission at this time believes it fair and equitable that the rates collected pursuant thereto should be made subject to refund as of the effective date of this order, and until further order of the Commission. The petition for rehearing of Decision No. 90919, the merits of which we are currently reviewing, will be the subject of a future order.

IT IS THEREFORE ORDERED that all rates now being collected by Pacific pursuant to Decision No. 90919 are hereby made subject to refund, as of this date, until further order of the Commission.

IT IS FURTHER ORDERED that the petition of the Cities for a stay of Decision No. 90919 is denied.

The effective date of this order is the date hereof.

Dated NOV 2C 1979

President

h at San Francisco, California.