

Decision 93135 JUN 2 1981**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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.

OII 20
(Filed July 25, 1978)

ORDER EXTENDING TIME

The Pacific Telephone and Telegraph Company (Pacific), by letter dated May 8, 1981, requests an extension to no later than June 13, 1982 to comply with this Commission's orders directing Pacific to convert its existing manually operated mobile radio-telephone system with improved mobile telephone service (IMTS). This conversion was originally ordered by Decision (D.) 88232, dated December 13, 1977, which directed Pacific to make the conversion within 24 months of the effective date of the order. D.90658, dated August 14, 1979, granted an extension of time to June 13, 1980. Pacific's program and the date of June 13, 1980 were reaffirmed by D.91492, dated April 2, 1980, in OII 20. Subsequently, an additional extension of time, to June 13, 1981, was granted by D.91858, dated June 3, 1980. Copies of Pacific's present letter of request for extension of time have been served upon all parties to OII 20.

In support of its request, Pacific alleges that, during June 1978, it placed an order with an outside supplier for a July 1979 delivery of two switching devices and associated software. This supplier notified Pacific of a delay in manufacturing that necessitated Pacific's petition to the Commission that resulted in D.90658. Later in 1979, this outside supplier again notified Pacific of an additional delay in the manufacture and delivery of

the switching devices. This notification forced Pacific, on May 8, 1980, to request the extension of time which was granted by D.91858 and which expires on June 13, 1981.

Pacific further alleges that the equipment supplier delivered dial switching equipment periodically during 1980. However, software delivered to date is not complete nor is it fully tested. As a result, Pacific is incapable of rendering a satisfactory level of IMTS service to its Mobile Service subscribers. Pacific has reviewed alternate equipment suppliers but currently believes that a change in suppliers would increase the time required to implement IMTS and might result in fewer IMTS features. The dial switching equipment and available software programs are currently undergoing comprehensive testing and analysis. The remaining software programs required to complete the system are scheduled for progressive delivery with final testing expected to conclude in October 1981. Following successful conclusion of these tests, Pacific will provide its Mobile Service subscribers a revised schedule for orderly conversion to IMTS.

Pacific served its May 8, 1981 letter requesting the one-year extension on all parties to OII 20. One letter of protest has been received. By letter of May 26, 1981, David M. Wilson, the attorney representing Allied Telephone Companies Association (Allied), protested the further extension of time alleging that the mobile telephone rates of Pacific are presently anticompetitive and should be increased. Allied, claiming to represent 80% of the California radiotelephone utilities, had earlier withdrawn from Pacific's current rate proceeding, A.59849, on the basis that Pacific would file a request for higher mobile telephone rates within seven weeks of the June 13, 1981 IMTS operational deadline. Allied requests that the one-year extension be denied or that if the extension is granted Pacific be required to apply by August 1, 1981, for rate adjustments that would make its present mobile

telephone service fully compensatory. Pacific had stated its intention to seek such mobile telephone rate relief in the near future in its letter of May 8, 1981.

Discussion

Because of the inability of its suppliers to meet Pacific's present time schedule for conversion to IMTS, it is obvious that Pacific is unable to comply with the Commission's previous orders on a timely basis. Accordingly, we must grant the extension of time requested.

Allied's protest against granting the extension relates to the continuing need for appropriate rate adjustment in Pacific's existing mobile telephone service rates. The order herein will require Pacific to file a mobile telephone rate application by August 1, 1981.

Findings of Fact

1. For reasons beyond its control, Pacific is unable to comply with the Commission's earlier orders for conversion of its mobile radiotelephone service to IMTS and that an extension of time is warranted.

2. The conversion date specified by previous order is June 13, 1981.

3. Pacific has previously represented to Allied that an application for rate relief for its mobile service would be filed seven weeks subsequent to the planned conversion date of June 13, 1981, i.e., by August 1, 1981.

Conclusions of Law

1. The relief requested by Pacific for IMTS conversion should be granted, and this order is appropriate in the premises.

2. This order should be made effective 10 days after signature, in consideration of the original conversion date of June 13, 1981.

3. A public hearing in this matter is not required.

IT IS ORDERED that:

1. The Pacific Telephone and Telegraph Company is granted an extension of time to no later than June 13, 1982 to comply with Ordering Paragraph 19 of Decision 88232, as modified by Ordering Paragraph 1 of Decision 90658 and as reaffirmed by Decision 90658.

2. The Pacific Telephone and Telegraph Company shall apply no later than August 1, 1981 to adjust its mobile telephone service rates to a compensatory level.

This order becomes effective 10 days from today.

Dated JUN 2 1981 at San Francisco, California.

John E. Snyda
President
Michael D. ...
Lawrence W. ...
Walter ...

Commissioners

Commissioner Priscilla C. Grew, being necessarily absent, did not participate in the disposition of this proceeding.