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MAIL DATE
1/28/97

Decision 97-01-048

January 23, 1997

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Rulemaking on the Commission's
Own Motion into Universal Service
and to Comply with the Mandates of
Assembly Bill 3643.

R.95-01-020

ORIGINAL

Investigation on the Commission's
Own Motion into Universal Service
and to Comply with the Mandates of
Assembly Bill 3643.

I.95-01-021

ORDER DENYING THE UTILITY REFORM NETWORK'S REQUEST FOR
PARTIAL STAY OF DECISION 96-10-066

On December 4, 1996 The Utility Reform Network (TURN), and other parties filed applications for rehearing of Decision (D.) 96-10-066, which adopted universal service rules. Among other things, in D.96-10-066 we adopted an end user surcharge to fund the California High Cost Fund B (CHCF B), and the California Teleconnect Fund. TURN requests an immediate stay of implementation of the funding mechanisms for these funds.

Public Utilities Code section 1735 provides that an application for rehearing shall not excuse compliance with any decision, or operate to stay or postpone enforcement of any decision, except as directed by a Commission order. The Commission may grant a stay of a decision in its discretion.

We have considered the potential harm if the decision is stayed versus the harm if the decision is not stayed. The timeline for implementation of the surcharge is quite short with a target date of February 1, 1997. As TURN acknowledges, much of the expense which TURN seeks to avoid by issuance of a stay has

already been incurred. Furthermore, the timeline reflects the urgency of adopting new universal service funding mechanisms. (See Public Utilities Code § 739.3.) We find that a stay of implementation of the end user surcharge for the CHCF B and the Teleconnect Fund at the current time would cause more potential harm to the state telecommunication program than it would avoid. Therefore, we decline to issue a partial stay of D.96-10-066.

Therefore, IT IS ORDERED that:

1. TURN's request for a stay of Decision 96-10-066 is denied.

This order is effective today.

Dated January 23, 1997 at San Francisco, California.

P. GREGORY CONLON
President
JESSIE J. KNIGHT, JR.
HENRY M. DUQUE
JOSIAH L. NEEPER
RICHARD A. BILAS
Commissioners