

ALJ/JAR/wav

MAILED 6/4/98

Decision 98-06-015 June 4, 1998

**ORIGINAL**

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of the Application of AT&T  
Communications of California, Inc. for  
Additional Regulatory Flexibility.

Application 90-07-015  
(Filed July 10, 1990)

Order Instituting Investigation on the Regulatory  
Framework for InterLATA Telecommunications  
Market.

Investigation 85-11-013  
(Filed November 13, 1985)

In the Matter of the Application of AT&T  
Communications of California, Inc. for Limited  
Regulatory Flexibility.

Application 87-10-039  
(Filed October 30, 1987)

### FINAL OPINION

The Commission granted AT&T Communications of California, Inc. (AT&T-C) initial regulatory flexibility in Decision (D.) 88-12-091, 30 CPUC 2d 384. In that decision, we allowed AT&T-C to adjust rates within 15% around a series of reference rates for various AT&T-C services. In 1990, AT&T-C filed an application seeking authority to be regulated in the same manner as the nondominant interexchange carriers (NDIECs). In D.93-02-010, we found that additional regulatory flexibility should be granted to AT&T-C for existing Wide Area Telephone Service, 800 service, private line service offerings, and message toll services (MTS). Directory assistance was included as an MTS service.

In D.94-09-075, the Commission granted limited rehearing of The Utility Reform Network's<sup>1</sup> application for rehearing of D.93-02-010. We found in D.94-09-075 that the existing record did not provide sufficient grounds for reversing our prior finding in D.91-03-016 that AT&T-C's directory assistance service was not a service for which competition imposes an effective restraint on price. The Commission specifically granted the limited rehearing to determine whether directory assistance for the disabled should be subject to the regulatory flexibility scheme established in D.93-02-010, and whether other carriers should share in the burden imposed on AT&T-C which was the only carrier offering an exemption from directory assistance charges for the disabled.

In addition, because of evidence that there was little or no competition for operator coin service (OCS), we granted a limited rehearing, on our own motion, to determine if OCS should be excluded from the regulatory flexibility granted AT&T-C in D.93-02-010. AT&T-C filed an application for rehearing of D.94-09-075 which we denied in D.95-04-079. Last August, in D.97-08-060, the Commission granted AT&T-C's request for NDIEC status.

By ruling on April 1, 1998, the Administrative Law Judge assigned to these consolidated proceedings asked the parties whether or not the issues granted limited rehearing pursuant to D.94-09-075, and confirmed pursuant to D.95-04-079, had been made moot by D.97-08-060. On April 13, 1998, AT&T-C responded that the issue of the competitiveness of OCS and directory assistance services were explicitly addressed in the hearing held and briefs filed in Application 94-05-042 and resolved in D.97-08-060. AT&T-C noted that the Commission found that in D.97-08-060 all of the company's services, including

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<sup>1</sup> At the time the organization was referred to as Toward Utility Rate Normalization.

OCS and directory assistance, were subject to effective competition. AT&T-C's Comments at 5. No other party filed comments.

We concur that our decision granting AT&T-C NDIEC status covered all AT&T-C services including OCS and directory assistance. As a result, this matter is moot. Consequently, we shall close these consolidated proceedings.

#### **Findings of Fact**

1. D.94-09-075 granted rehearing limited to the issues of: 1) whether directory assistance for the disabled should be subject to the regulatory flexibility scheme established in D.93-02-010; 2) whether carriers other than AT&T-C should be obligated to offer an exemption from directory assistance charges for the disabled; and 3) whether OCS should be excluded from the regulatory flexibility granted AT&T-C in D.93-02-010.

2. A ruling was issued and served on all parties to this proceeding asking whether or not the issues granted limited rehearing pursuant to D.94-09-075, and confirmed pursuant to D.95-04-079, had been made moot by D.97-08-060.

3. AT&T-C was the only party that responded.

4. In D.97-08-060, the Commission found that all of AT&T's services, including OCS and directory assistance, were subject to effective competition.

#### **Conclusions of Law**

1. This matter is moot.
2. These consolidated proceedings should be closed.
3. Administrative efficiency necessitates that this order should be effective on the date signed.

A.90-07-015 et al. ALJ/JAR/wav

**FINAL ORDER**

**IT IS ORDERED** that Application (A.) 90-07-015, Investigation 85-11-013, and A.87-10-039 are closed.

This order is effective today.

Dated June 4, 1998, at San Francisco, California.

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