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 to Executive Director

RESOLUTION NO. T-11037

EVALUATION AND COMPLIANCE  
DIVISION

DATE: May 28, 1986

RESOLUTION

\_\_\_\_ Director  
 \_\_\_\_ Numerical File  
 \_\_\_\_ Alphabetical File  
 \_\_\_\_ Accounting Officer

SUBJECT: PacTel Mobile Access (U-3001-C). Order authorizing increases in service activation charges and usage rates for certain corporate plan retail customers, and temporary waiver of service activation charges for certain customers transferring from the competing system. The net revenue effect is approximately zero. Resolution No. T-11037.

WHEREAS: PACTEL MOBILE ACCESS (PacTel), by Advice Letter No. 9, filed April 21, 1986, requests authority under Section 454 of the Public Utilities Code to make effective the following tariff revisions:

- (1) To modify the "corporate plan" retail offering. The "corporate plan" provides for discounts to retail customers that subscribe to multiple cellular numbers under one account. The revisions eliminate the discounts on various levels of multiple service establishment orders by a single customer, and eliminate the discount levels on usage (air time); these increases will be largely offset by reductions in the access charge structure. No customer notice is required as there are no customers using this plan. The revisions are being made in the interest of simplifying billing and administration.
- (2) To establish a temporary waiver of retail service establishment charges for those customers who utilized PacTel's cellular system prior to April 12, 1986, and who were transferred to the competing nonwireline carrier's system but now request to return. The waiver will be effective for ninety days only, from the effective date of this order.

PacTel Mobile Access is the wireline facilities-based cellular mobile radiotelephone utility serving the San Diego area.

The competing nonwireline carrier in San Diego is now fully operational. Prior to the activation of this second system on April 11, 1986, the nonwireline carrier had been doing business as a reseller of PacTel service, in accordance with the resale policy of this Commission and pursuant to the FCC's view of reselling as significantly offsetting the "head start" advantage of the wireline carrier in a given market. The nonwireline carrier expects that its resale customers will migrate to the nonwireline system, and mobile telephone numbers have been assigned in blocks with that result in mind. PacTel, in requesting the temporary waiver of service establishment charges, proposes to accommodate mobile users who have transferred to the facilities of the other carrier and then find (within 90 days) that they prefer the service provided by the PacTel facility which they originally had. The requested waiver is a one-time event only, as no other systems will be constructed in San Diego.

By this filing the utility also eliminates air time usage charges for unanswered calls, effective on June 1, 1986.

The present and proposed "corporate plan" charges are set forth in the appendix to this resolution.

The expected revenue effect of these changes is approximately zero as the rate increases and decreases largely offset each other, and the stimulation from the service establishment waiver should offset the loss from the waiver itself.

In addition to the above matters, the Advice Letter also tariffs a new offering styled "V.I.P. Service Plan," under P.U. Code Sec. 455. This is a "package" offering of monthly access and 350 minutes of air time for \$149 per month. Usage beyond 350 minutes is billed at the regular rate of \$0.40 per minute of peak period air time. The \$149 rate produces a monthly saving of \$26 to the high volume customer who uses 350 minutes per month.

Cellular Service, Inc. filed a protest to this latter offering only, alleging that as a reseller, Cellular Service could not profitably compete. However, the protest was filed on May 15, 1986, which is less than the required 20 days prior to the regular effective date of Advice Letter No. 9; the protest of Cellular Service, Inc., is accordingly denied as untimely. The staff recommends that PacTel file a wholesale version of the "VIP" plan. PacTel has agreed to do so. The staff expects that this will resolve the matter.

The Commission finds that the rates, charges and conditions authorized by this Resolution are just and reasonable and present rates, charges and conditions, as they differ from the rates, charges and conditions authorized in this Resolution are for the future unjust and unreasonable; and good cause appearing,

IT IS ORDERED that:

(1) Authority is granted to make the above revisions effective on May 29, 1986.

(2) Schedule Cal. P.U.C. No. 2-T, 1st Revised Sheet 4-B, and Schedule Cal. P.U.C. No. 4-T, 1st Revised Sheet 9, shall be marked to show that such sheets were authorized by Resolution of the Public Utilities Commission of the State of California No. T-11037.

(3) The protest of Cellular Service, Inc., is denied as untimely filed.

The effective date of this Resolution is today.

I hereby certify that the foregoing Resolution was duly introduced, passed and adopted at a regular meeting of the Public Utilities Commission of the State of California, held on May 28, 1986, the following Commissioners voting favorably thereon:

DONALD VIAL  
President  
VICTOR CALVO  
PRISCILLA C. GREW  
FREDERICK R. DUDA  
STANLEY W. HULETT  
Commissioners

*Howard A. Sarasohn*  
Howard A. Sarasohn  
Acting Executive Director

## APPENDIX

PACTEL MOBILE ACCESS, SAN DIEGOCORPORATE PLAN - PRESENT RATES AND CHARGES

The corporate use plan provides for discounts to retail customers that subscribe to multiple cellular numbers under one account.

## Service Establishment

To process an order for activation of an access number.

## Total Number of Numbers per Master Account:

	<u>1-24</u>	<u>25-49</u>	<u>50-99</u>	<u>100-249</u>	<u>250+</u>
Per number	\$50.00	\$45.00	\$40.00	\$35.00	\$35.00

## Access Charge

## Total Number of Numbers on a Single Bill:

	<u>1-24</u>	<u>25-49</u>	<u>50-99</u>	<u>100-249</u>	<u>250+</u>
Per month, Per Number	\$35.00	\$33.00	\$31.00	\$29.00	\$27.00

## Usage Rates

## Total Number of Numbers per Master Account:

	<u>1-24</u>	<u>25-49</u>	<u>50-99</u>	<u>100-249</u>	<u>250+</u>
Peak period, per minute	\$0.400	\$0.376	\$0.368	\$0.360	\$0.352
Off-peak, per minute	\$0.240	\$0.226	\$0.221	\$0.216	\$0.211

CORPORATE PLAN - PROPOSED RATES AND CHARGES

## Service Establishment

To process an order for activation of an access number.

Per access number per order \$50.00

## Access Charge, per month, per number

(a) 1 - 9 units	\$35.00
(b) 10-24 units	\$30.00
(c) 25 units or more	\$28.00

## Usage Rates

(a) Peak Period, per minute	\$ .40
(b) Off-Peak Period, per minute	\$ .24