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RESOLUTION NO. T-11048

EVALUATION AND COMPLIANCE
DIVISION

DATE: June 25, 1986

RESOLUTION

Director

~~Numerical File~~~~Alphabetical File~~~~Accounting Officer~~

SUBJECT: Pacific Bell. Order Authorizing a revision of Rule No. 15, Line Extension, and Rule No. 16, Service Connection and Facilities on Customer's Premises, to allow the utility to recover the non-recoverable costs it incurs for providing facilities to and within new subdivisions and real estate developments which are canceled, modified or deferred after the work begins on a signed service order. Estimated annual billing is approximately \$120,000. Resolution No. T-11048.

WHEREAS: PACIFIC BELL, by Advice Letter No. 15104, filed June 2, 1986, requests authority under Section 454 of the Public Utilities Code to make effective the following tariff revisions:

To revise Rule No. 15, Line Extension and Rule No. 16, Service Connection and Facilities on Customer's Premises, to allow Pacific to recover from applicants of new subdivisions and real estate developments the non-recoverable costs it incurs (i.e., engineering, labor, material and equipment costs, less net salvage costs) when applicants modify or cancel a signed service order after the utility has started work on the signed service order. These charges for non-recoverable costs are also applicable if the applicants for new subdivisions or real estate developments under Rule 15 or Rule 16 defer the service order more than 1 year beyond the last service date agreed upon at the time the utility notifies the applicant in writing it was commencing work on the service order.

The applicants subject to these revisions will be notified in writing at the time the initial request is taken that should the request be canceled, modified or deferred, charges will apply.

Pacific Bell currently does not charge for costs it incurs for canceled, modified or deferred service orders under Rules 15 and 16. It does, however, have tariffed charges to cover non-recoverable costs for canceled, modified or deferred service orders under Rule 36, Special Construction of Exchange Facilities and for complex service under Rule 3, Application for Service.

The general ratepayer is currently absorbing the loss for canceled, modified or deferred projects, for new subdivisions or real estate developments.

Estimated annual billing is approximately \$120,000.

The Commission finds that the rates, charges and conditions authorized in 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 July 3, 1986.

(2) Schedule Cal P.U.C. No. A2, Original Sheets 100.1, 100.2, 109.1, and 109.2 and 2nd Revised Sheet 109 shall be marked to show that such sheets were authorized by Resolution of the Public Utilities Commission of the State of California No. T-11048.

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 June 25, 1986, the following Commissioners voting favorably thereon:


Executive Director

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