

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

EVALUATION & COMPLIANCE DIVISION
Telecommunications BranchRESOLUTION NO. T-12017
April 22, 1987R E S O L U T I O N

ROSEVILLE TELEPHONE COMPANY. ORDER AUTHORIZING ROSEVILLE TELEPHONE COMPANY TO PROVIDE THE LIMITED DISCONNECT SERVICE ON A PERMANENT BASIS.

Decision 85-03-017 ordered Roseville Telephone Company (Roseville) to provide the Limited Disconnect Program on an interim basis, file a report with the Commission staff by January 1987, and required the Commission staff to recommend to the Commission, not later than May 1, 1987, a suitable course of action. In its report, Roseville has requested to make its interim Limited Disconnect Program permanent with changes as deemed necessary by the Commission staff.

This resolution authorizes Roseville Telephone Company (Roseville) to make permanent its Limited Disconnect Program (LDP). Unlike the Temporary Disconnect (TD) method applied by other local exchange carriers in California, Roseville's LDP recognizes the importance of giving their LDP customer access to 9-1-1 Emergency Services. In this respect, other local exchange companies are strongly encouraged to adopt a similar program.

BACKGROUND

Local exchange companies currently are authorized to temporarily disconnect a customer's local service for non-payment of his or her bill. This TD does not allow the customer to make or receive calls, although the facilities and telephone number are held available for resumption of service.

With the TD procedure, the customer does not have access to the 9-1-1 service should an emergency arise. Customers have threatened lawsuits against the utilities for blocking access to 9-1-1. This has increased the utilities' administrative costs because of the time needed to decide whether or not to temporary disconnect a customer.

Roseville's interim LDP, which will terminate on July 1, 1987, unless extended, allows customers to make only two types of outgoing calls:

1. Calls to 9-1-1 emergency services.
2. Calls to Roseville's business office.

If the LDP customer dials a number other than 9-1-1, the call is automatically routed to Roseville's business office. The LDP customer is not able to receive telephone calls except when the incoming call originates from the 9-1-1 Emergency Services office.

Discussion

Several benefits can be identified from Roseville's Limited Disconnect Program (LDP). First, an LDP customer is able to call 9-1-1 Emergency Services, should an emergency arise. This should offer peace of mind to customers whose local service has been placed in the LDP. Second, Roseville's legal concerns are reduced substantially. Third, an LDP customer is able to call from their own phone to Roseville's business office to make the arrangements to have their local service restored and to have their questions answered relative to reconnection, payment plans, etc.

Decision 85-03-017 set the parameters of Roseville's interim LDP. These parameters required Roseville to:

1. Charge LDP customers \$20.00 to restore their local service.
2. Charge customers whose service has been fully disconnected \$30.00 to restore their local service.
3. Price at actual cost the charges to restore local service after the LDP trial period.
4. Allow LDP customers 30 days (instead of the previously tariffed 15 days) to make the necessary arrangements to restore their local service before the utility fully disconnects the line.

In Roseville's report to the Commission dated January 27, 1987, it states that the actual cost to restore local service is \$13.36 for a LDP line and \$26.96 for a fully disconnected line. We have reviewed Roseville's cost calculations and find them reasonable. In the report, Roseville has proposed that the charge for restoring service from the LDP be \$12.78 and that the charge for restoring service from a full disconnect be \$24.75. In light of the knowledge that these charges would be below cost and that Decision 85-03-017 stated that the charges should be at cost, we do not believe that these charges are appropriate.

In granting Roseville authority to make permanent its interim LDP offering, we believe it is reasonable to authorize Roseville to charge LDP customers \$13.50 and fully disconnected customers \$27.00 to restore their local service. This is consistent with our policy to price Roseville's LDP restoral charge at cost, and it is also consistent with our policy to price the restoral charge for temporary disconnection at one-half of the restoral charge for full disconnection.

We also believe it is more reasonable to authorize Roseville to allow LDP customers 15 days to make the necessary arrangements to restore their local service before full disconnection due to the following reasons. First, it should be noted that in most instances local service is not disconnected until after a bill becomes delinquent by at least 30 days. If we require Roseville to wait an additional 30 days before we allowed full disconnection, a line will not be fully disconnected and collection procedures will not start until the account was delinquent for two months. Second, a 30-day requirement would be discriminatory against Roseville since currently other local exchange companies are authorized to fully disconnect customers 15 days after their local service has been temporarily disconnected.

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) Roseville Telephone Company shall file an Advice Letter no later than June 1, 1987, to be effective on July 1, 1987, making permanent its interim Limited Disconnect Program (LDP) with the following conditions:

1. The charge to restore local service to a line that is placed in the LDP is \$13.50.
2. The charge to restore local service to a line that has been fully disconnected is \$27.00.
3. A line shall be placed on the LDP for a minimum of 15 days.

(2) All other Local Exchange Companies should file a report with the Evaluation and Compliance Division's Telecommunication Branch by no later than July 31, 1987. This report should include an estimated number and percentage of central offices that are able to provide a similar limited disconnect service and the number of customers that would be served by those central offices.

I certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on April 22, 1987. The following Commissioners approved it:



Executive Director

STANLEY W. HULETT
President
DONALD VIAL
FREDERICK R. DUDA
G. MITCHELL WILK
JOHN B. CHANIAN
Commissioners