COMMISSION ADVISORY AND COMPLIANCE DIVISION Telecommunications Branch

RESOLUTION NO. T-12088 June 8, 1988

RESOLUTION

PACIFIC BELL. ORDER ADDRESSING ON LESS THAN REGULAR NOTICE AN EXTENSION FOR PACIFIC BELL'S PROVISIONAL TARIFF OFFERING ON DIRECT CUSTOMER ACCESS TO DIRECTORY INFORMATION (DCA/DI) SERVICE. THE CURRENT PROVISIONAL TARIFF EXPIRES ON JUNE 7, 1988.

SUMMARY

This resolution authorizes a 45 day extension of time to Pacific Bell for its provisional tariff on Direct Customer Access/Directory Information (DCA/DI) Service. The service was originally authorized by Commission Resolution T-12004 on February 11, 1987 to be provided on a one year provisional basis from February 15, 1987 to February 15, 1988. By Resolution T-12063 dated February 16, 1988, the Commission authorized a temporary extension of time for DCA/DI service to Narch 9, 1988 to allow Pacific time to complete a new feasibility study on the viability of DCA/DI service and obtain a contract with GTE California Incorporated (GTEC) for sharing directory lists. An additional 90 days to June 7, 1988 was subsequently granted by Resolution T-12075 dated March 9, 1988. The 90 day extension was to give Pacific extra time to complete a revised feasibility study (based on the current view) on the profitability of continuing the provision of the DCA/DI service.

On April 22, 1988, Pacific submitted its study to the staff. The study included a proposal seeking authority to revise the rate structure of the existing DCA/DI service and to make the service available to Interexchange Carriers (IECs) for reselling.

On May 18, 1988, however, Pacific informed the staff that the Department of Justice (DOJ) indicated in a telephone conversation with Pacific on April 25, 1988 that Pacific's DCA/DI service, which allows customers to access statewide DA information, may not be consistent with the requirement of the Modification of Final Judgment. In order to address the DOJ's concerns, Pacific requests authority to: (1) extend the DCA/DI service for 45 days to allow Pacific time to evaluate the economic impacts of the DOJ's concerns

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on the DCA/DI service and complete a revised feasibility study for a restructured DCA/DI offering and (2) revise the present DCA/DI tariff from a statewide DA information service to a LATAwide DA information service. With the statewide access to LATAwide access revision, customers of the DCA/DI will no longer be able to access statewide DA information through the DCA/DI service but are restricted to only DA information within the LATAs the customers are calling from.

BACKGROUND

Pacific Bell, by Advice Letter No.15405 filed May 31, 1988 requests authority to revise Schedule Cal.P.U.C. No. A5, Exchange Services, A5.7.9 Direct Customer Access to Directory Information (DCA/DI) to extend the DCA/DI service for 45 days to allow Pacific time to complete a revised feasibility study for a restructured DCA/DI offering and revised the present DCA/DI service from a statewide DA information access to a LATAwide DA information access.

The DCA/DI service is an alternative to the conventional 411 Directory Assistance (DA) service for large volume DA users. The service is a computer-based DA service allowing users to have direct access to DA information with a customer owned computer terminal without the assistance of a DA operator.

In Pacific Bell A.85-01-034, the Commission found that allowing direct customer access to Pacific Bell's directory assistance information database would benefit both large DA users and Pacific Bell. With this service, large DA users could reduce their costs per call and Pacific Bell could lower expenses by reducing the number of required DA operators. As a result, the Commission ordered Pacific Bell to make final advice letter filings for the implementation of DCA/DI service in Ordering Paragraph 11 of D.86-01-026 dated January 10, 1986.

In compliance with D.86-01-026, Pacific filed Advice Letter No.15070 and a Supplement on January 7, 1987 to establish a tariff schedule for the implementation of the DCA/DI service. By Resolution T-12004 on February 11, 1987, the Commission authorized Pacific to provide DCA/DI service on a one year provisional basis to be effective on February 15, 1987. On February 16, 1988, by Resolution T-12063, the Commission authorized a temporary extension of time to March 9, 1988 to allow Pacific time needed to submit for staff's review a feasibility study on the DCA/DI service and a firm contract between Pacific and GTEC on sharing their directory listings for the provision of the DCA/DI service.

In compliance with Resolution T-12063, Pacific submitted on March 9, 1988 a firm contract with GTEC which would allow Pacific to offer statewide DA information to its customers of DCA/DI service. The feasibility study submitted by Pacific, however, was not based on the current costs of providing the DCA/DI service and could not be

used for evaluating the future profitability of the DCA/DI service. In view of Pacific's efforts in reaching a firm contract agreement with GTEC, the Commission, by Resolution T-12075, authorized a 90 day extension of time to allow Pacific additional time to complete and submit for staff's review a revised feasibility study on the profitability of continuing the provision of the DCA/DI service.

On April 22, 1988, Pacific submitted a proposal to revise the present rate structure of the DCA/DI service to one that is tier based.

Subsequent to filing the tiered pricing proposal, Pacific was informed by the DOJ in a telephone conversation on April 25, 1988 that Pacific's DCA/DI service may not be consistent with the requirement of the NFJ. However, Pacific failed to relate the information to the staff until May 18, 1988. According to Pacific, DOJ's main concern is that Pacific's DCA/DI service offers customers with statewide DA information outside of the customers' own LATAs, which may not be consistent with the requirement of the NFJ.

In order to address the DOJ's concerns, Pacific requests a 45 day extension to allow Pacific time to reassess the effects of offering the DCA/DI service on a LATAwide basis and complete a revised feasibility study for a restructured DCA/DI offering. To ensure the continuing provision of the DCA/DI service would not be in conflict with the requirement of the NFJ, Pacific also requests to revise the present DCA/DI tariff from a statewide DA information service to a LATAwide DA information service. Customers of the DCA/DI service will be issued user identification codes based upon the LATA where The customer may only use its the customers are located. identification code to obtain DA information from the LATA for which its identification code was issued. Pacific intends to seek clarification from the DOJ or file a waiver request with the DOJ seeking authorization to provide DCA/DI service on a centralized statewide basis.

FINDINGS

The Commission finds that:

It is reasonable to extend the DCA/DI service for 45 days to allow Pacific the opportunity to complete a revised feasibility study for a restructured DCA/DI service offering.

IT IS ORDERED that:

- (1) Authority is granted to make the above revisions effective today.
- (2) Pacific Bell shall submit for staff's review a revised feasibility study for a restructured DCA/DI service no later than June 8, 1988. Pacific has agreed to submit the revised feasibility study to the staff no later than June 8, 1988.
- (3) All tariff sheets filed under Advice Letter No.15405 shall be marked to show that such sheet were authorized by Resolution of the Public Utilities Commission No. T-12088.

I certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on June 8, 1988. The following Commissioners approved it:

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

Executive Director