PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION RESOLUTION NO. T-13019 Telecommunications Branch September 28, 1988

RESOLUTION

PACIFIC BELL. ORDER AUTHORIZING THE DETARIFFING OF THE OPTIONAL CENTREX FEATURE CALLED CUSTOMER DIALED ACCOUNT RECORDING (CDAR).

SUMMARY

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This resolution approves Pacific Bell's (Pacific) Advice Letter No. 15444, filed August 23, 1988, which detariffs a Centrex optional feature called Customer Dialed Account Recording (CDAR). In July 1988, the FCC concluded that CDAR is an enhanced service and not a basic service and should be detariffed by October 1, 1988.

BACKGROUND

Customer Dialed Account Recording (CDAR) allows a centrex customer with Station Message Detail Recording (SMDR) to tag for later accounting identification each call on the SMDR billing record. The SMDR feature provides the customer with a record of the date, time, duration, and called number of each outgoing call. The customer with CDAR may input up to eight digits of their own choosing for the SMDR billing record, prior to dialing a telephone number.

In the Computer II Final Decision, the FCC distinguished between basic and enhanced services in adopting a regulatory framework for computer processing applications offered over common carrier transmission facilities. Section 64-702(a) of the Rules defined "Enhanced Services" as services offered over common carrier transmission facilities used in interstate communications which employ computer processing applications that act on the format, content, code, protocol or similar aspects of the subscriber's transmitted information; provide the subscriber additional, different, or restructured information; or involve subscriber interaction with stored information. C-1

Based on the above FCC Computer II decision definition of enhanced services, North American Telecommunications Association (NATA) petitioned for a declartory ruling that certain Centrex features (including CDAR) and residential telephone services should be classified as enhanced services. The other services included automatic route selection-deluxe, facility restriction levels, deluxe queing, facilities administration and control, traffic management data, automatic overflow to DDD, forwarded call information and station message detail recording. In response the FCC issued its NATA Centrex order, which recognized only CDAR as an enhanced service. Unlike the other services covered in the petition, which the FCC ruled were just adjuncts to basis service and therefore basic service (i.e., these services facilitated the provision of basic service without altering their fundamental character), CDAR allowed Centrex customers to use the telephone companies electronic switches for the storage and retrieval of customer business information that is not used in the provision or management of the customers telephone service. NATA appealed the decision.

On July 21, 1988, the FCC released a Memorandum Opinion and Order on NATA's Petition for Declaratory Ruling Under Section 64.702 of the Commission's Rules regarding the Integration of Centrex, Enhanced services, and Customer Premises Equipment. In this order the FCC concluded again that only one feature offered by the BOC'c as part of Centrex, Customer Dialed Account Recording (CDAR), was enhanced rather than basic service, and therefore should be detariffed before October 1, 1989. The FCC held this ruling also to be consistent with its Computer III Phase II Order, which did not change the definition of enhanced service. Pacific was also ordered to file with the FCC an amendment to its Part 32 cost allocation manual that may be required for its CDAR operations.

A copy of this Advice Letter was mailed to competing and adjacent utilities and to other utilities and persons who had indicated an interest. To date, no protests have been received.

DISCUSSION

Pacific Bell, in compliance with the FCC's July 21, 1988 Memorandum Opinion and Order, has filed Advice Letter 15444 with this Commission to detariff by October 1, 1988, CDAR, an enhanced Centrex service. This Commission however, has not had an opportunity to formally address the many important regulatory policy issues related to enhanced services. This Commission also is presently involved in legal hearings pertaining to FCC decisions on enhanced services.

Pacific Bell also has filed Applicantion 88-08-031 on enhanced services on August 15, 1988. This Application, which was filed at the request of Commission staff, will provide the evidentiary record from which to resolve the complex regulatory policy issues regarding

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enhanced services. Unfortunately the decision on Application 88-08-031, which will ensure that the interest of ratepayers, both end users and enhanced service providers, are balanced with interests of the utilities the Commission regulates, will not be in time to aid in ruling on Advice Letter 15444.

Although Advice Letter 15444 should be rejected, pending a decision on A. 88-08-031 and final decisions from the courts on enhanced services, legally there is no choice at this time but to allow this advice letter to become effective on October 1, 1988, as ordered by the FCC. However, the Commission reserves the right to make appropriate changes subject to our prevailing in the courts.

FINDINGS

1. Detariffing of Customer Dialed Account Recording (CDAR) effective October 1, 1988, is required by FCC Memorandum Opinion and Order ENF 84-2.

2. Pacific Bell has this optional feature in its Central Office Services A9 Tariff.

3. A separate tracking report shall be made on CDAR, providing revenues together with expense and capital expenditures until such a time as the Commission makes a final decision on treatment of enhanced services.

IT IS ORDERED that:

(1) Authority is granted to make the above revisions effective October 1, 1988.

(2) All tariff sheets filed under Advice Letter No. 15444 shall be marked to show that such sheets were authorized by Resolution of the Public Utilities Commission No. T-13019.

I certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on September 14, 1988. The following Commissioners approved it:

STANLEY W HOLEFT President DONALD VIAL FREDERICK R. DUDA G. MITCHELL WRX JOHN B. OHANIAN Commistences

Executive Director

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