

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION  
Telecommunications BranchRESOLUTION NO. T-13027  
December 9, 1988

## R E S O L U T I O N

PACIFIC BELL. ORDER AUTHORIZING THE IMPLEMENTATION OF NEW  
PBX RATES AND PBX DESIGN PARAMETER TARIFF.

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SUMMARY

This resolution adopts Pacific Bell's proposed PBX design parameter tariff and authorizes Pacific to implement new PBX rates. These changes, which include the effects of increasing the rates for measured PBX trunk applicable to FEX with dial tone from an exchange other than an exchange of Pacific, will provide annual PBX revenues of \$20.554 million. The new rates will become effective on January 15, 1989.

BACKGROUND

Ordering Paragraph Nos. 12 and 13 of Decision No. 88-07-022 (Pacific Bell's Application 85-01-034, Phase II, Rate Design), dated July 8, 1988 states:

"12. Pacific shall make an advice letter filing with this Commission pursuant to General Order (GO) 96-A to amend the appropriate tariff schedules to describe design parameters which require the use of a designed circuit from the central office serving a PBX service."

"13. Pacific's proposed rates of \$12.25 for measured business trunk access and \$34.25 for flat rate business trunk access as well as \$4 per month increase in the rates for measured PBX trunk applicable to FEX with dial tone from an exchange other than an exchange of Pacific are granted upon adoption by this Commission of Pacific's PBX design parameter tariff."

In accordance with the aforementioned ordering paragraphs, Pacific filed Advice Letter No. 15458 on October 3, 1988 requesting authority to implement the new PBX rates and PBX design parameter tariff. Pacific requests that the new rates and PBX design parameters become effective October 27, 1988 on less than regular notice.

On October 24, 1988, Pacific filed Supplemental Advice Letter No. 15458A requesting a later effective date of December 1, 1988. Pacific requests that

the extension be granted so that it can notify its customers in compliance with Ordering Paragraph No. 66 of Decision No. 88-07-022 which states:

"66. Pacific Bell and ITCs implementing rate and offering changes pursuant to this order shall notify their customers of such changes at least 15 days prior to the effective date of such changes."

On October 24, 1988, California Bankers' Clearinghouse Association (CBCHA) filed a protest opposing Advice Letter No. 15458. Pacific's attorneys were not aware of the existence of CBCHA's protest until November 3, 1988. Pacific responded to this protest on November 4, 1988.

On December 2, 1988, Pacific filed Supplemental Advice Letter No. 15458B requesting a change in effective date to January 15, 1989. This extension allows Pacific time to place this resolution on the December 9, 1988 Commission meeting and still notify its customers 15 days before the new rates become effective. At staff's request, Pacific corrected some minor mistakes in Advice Letter No. 15458 and also added clarifying language in its tariff. Pacific also requests authority to waive the service charge for its existing PBX customers who want to switch to Pacific's new Basic PBX Trunk Service. Service charge will not be applied to the first change requested no later than March 15, 1989.

#### DISCUSSION

Decision No. 88-07-022 authorized the adoption of new PBX rates contingent on Pacific developing "a set of written criteria setting forth design parameters for PBX, and explaining when a designed circuit is required from the central office serving that customer."

Pacific's proposed PBX tariff states the design parameters in terms of transmission quality. Pacific defines transmission quality by the maximum decibel (db) loss per line. A non-designed line will have db loss of no more than 8.0. A designed line will have higher quality of transmission. Its transmission loss will not exceed 5.5db. Pacific claims that these service quality parameters are in line with industry standards.

The following factors determine whether a line has to be designed in order to achieve the higher level of transmission quality:

- (1) the distance of the customer's location from the central office serving the customer;
- (2) the route the call takes through the network;
- (3) the kind of cable between the central office and the customer's location; and,
- (4) the kind of switching equipment in the central office serving the customer.

Pacific's new PBX tariff distinguishes between "Basic" and "Assured" PBX Trunk Services. A Basic PBX trunk line is the same as a regular business line and is charged at the same rate. It is a non-designed line and its transmission loss will not exceed 8.0db. An Assured PBX trunk line meets higher quality transmission standards than the Basic line. It will have no more than 5.5db loss and is available at the new PBX rates. An Assured PBX

trunk line can be a designed line but it can also be a non-designed line that is maintained at the higher quality of transmission standards.

Pacific's design parameter tariff describes the criteria for choosing between Basic and Assured PBX Trunk Services. In general, Pacific Bell's Assured Trunk Service is needed when the PBX customer (1) has PBX equipment with FCC registration number ending with "MF" or "PB"; (2) plans to tie 2 or more trunks together; or (3) plans to have off premise stations.

CBCHA charges in its protest that Pacific's Advice Letter does not include any written criteria setting forth design parameters for PBX. CBCHA also points out that it is possible to achieve line loss of no more than 5.5db with Basic and yet Pacific's filing seems to suggest that if customers want to achieve this quality of transmission, they must choose Assured service. Furthermore, if a subscriber to Basic service currently has line loss of no more than 5.5db, CBCHA wants to know whether this high level of transmission quality will be maintained.

In its response to the protest, Pacific points out that the design parameters based on decibel loss are in line with industry standards and they are clearly stated in Pacific's proposed tariff. Pacific admits that it is possible to achieve line loss of no more than 5.5db with Basic, however, Pacific does not ensure that such a level will be maintained on an ongoing basis.

In its Supplemental Advice Letter No. 15458B, Pacific included tariff language clarifying the fact that it is possible to achieve high transmission quality with Basic, however, Pacific does not ensure that such a level will be maintained. Other issues in the protest are denied.

Pacific's request for a grace period is appropriate. Pacific is better able to assist its existing PBX customers to choose between Assured and Basic if Pacific is authorized to waive the service charge for the first switch for a 90-day period.

The new rates for PBX services and their associated revenues of \$20.554 million have already been reflected in the rate structure authorized in Decision No. 88-07-022. Pacific has also provided adequate written criteria describing the design parameters for PBX services. Therefore, Pacific's request to implement the new PBX rates and design parameter tariff is appropriate.

#### FINDINGS

1. Pacific has clearly stated the design parameters for PBX services.
2. Pacific has set forth written criteria for choosing between Basic and Assured PBX Trunk Services.
3. Pacific has adequately addressed the issues raised by CBCHA's protest.

IT IS ORDERED that:

- (1) CBCHA's protest, dated October 24, 1988, to Pacific Bell's Advice Letter No. 15458 is denied.
- (2) Authority is granted to make the above tariff revisions contained in Advice Letter No. 15458B effective January 15, 1989.
- (3) All tariff sheets filed under Advice Letter No. 15458B shall be marked to show that such sheets were authorized by Resolution of the Public Utilities Commission of the State of California No. T-13027.
- (4) The effective date of this resolution is today.

I certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on December 9, 1988. The following Commissioners approved it:

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



Executive Director