

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION
Telecommunications BranchRESOLUTION NO. T-13041
January 11, 1989R E S O L U T I O N

THE CALIFORNIA-OREGON TELEPHONE COMPANY, ORDER AUTHORIZING THE ABOVE NAMED UTILITY TO 1) MERGE DORRIS AND CAL-OREGON TARIFFS; 2) WITHDRAW THE OFFERING OF JOINT USER SERVICE IN CONNECTION WITH BUSINESS INDIVIDUAL LINE, PARTY LINE SERVICE, SEMI-PUBLIC COIN BOX SERVICE, AND PRIVATE BRANCH EXCHANGE SERVICE; 3) ADOPT DORRIS' RATE FOR INTER-EXCHANGE RECEIVING SERVICE; AND 4) CLARIFY APPLICABILITY OF EMPLOYEES SERVICE RELATING TO LOCAL EXCHANGE TELEPHONE SERVICE.

SUMMARY

California-Oregon Telephone Co. filed Advice Letter No. 130, dated December 5, 1988, relating to Dorris Telephone Co. (Dorris) tariffs and Advice Letter No. 158, dated December 5, 1988, relating to Cal-Ore tariffs requesting authority from the Commission to:

- 1) Merge the two existing sets of tariffs into one.
- 2) Withdraw the offering of Joint User Service in connection with business individual line, party line service, semi-public coin box service, and private branch exchange service in all exchanges.
- 3) Adopt Dorris' rate for Inter-Exchange Receiving Service in all exchanges.
- 4) Clarify applicability of Employee Service relating to local exchange telephone service furnished to employees.

This resolution authorizes California-Oregon Telephone Co. to proceed with the merging of the Dorris and Cal-Ore tariffs and make the changes cited above.

BACKGROUND

Ordering Paragraph No. 1 of D.84-03-014, dated March 7, 1984, authorized Dorris to acquire the outstanding capital stock of

California-Oregon Telephone Co. (Cal-Ore), with Dorris as the controlling party. The acquisition brought about the retention of the business name "California-Oregon Telephone Co." and the expansion of the system - Dorris, Macdoel, Newell and the Tulelake Exchanges.

Tariff Consolidation

Prior to the acquisition, Dorris' service area was composed of the Dorris and the Macdoel Exchanges. With the merger, Dorris acquired the Cal-Ore exchanges of Newell and Tulelake. Two separate tariffs continued in effect.

Ordering Paragraph No. 4 of the same D.84-03-014 authorized Dorris to prepare and file a single set of tariffs of common applicability to the entire Dorris system, preserving in the process, the authorized rates for each exchange.

Advice Letter No. 130 (for Dorris) and Advice Letter No. 158 (for Cal-Ore) as filed by California-Oregon Telephone Co. merge the tariffs.

Joint User Service

A joint user is an individual or business concern authorized by the utility and the customer to share in the use of the customer's business telephone service.

As authorized by Resolution T-10723, Joint User Service was withdrawn by Dorris in June 19, 1983 because there were no customers and there was no anticipated demand in the future. However, Cal-Ore has one existing customer with individual line service. Cal-Ore has been offering Joint User Service since 1970 with no anticipated demand in the future.

California-Oregon Telephone Co. requests approval to withdraw the offering of Joint User Service for future customers but continue providing joint user service only to the existing customer at the current subscription rate of \$3.00 per month, until such time as the said customer requests discontinuance of service. It reserves the right for any rate change in accordance with applicable Commission procedures.

Inter-Exchange Receiving Service

Inter-Exchange Receiving Service is a combination of exchange and toll service, whereby a business customer in one exchange may arrange to receive calls placed to a special number by customers from another exchange. The customer agrees to accept such calls on

CORRECTION

**THIS DOCUMENT HAS
BEEN REPHOTOGRAPHED**

TO ASSURE

LEGIBILITY

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Inter-Exchange Receiving Service

Inter-Exchange Receiving Service is a combination of exchange and toll service, whereby a business customer in one exchange may arrange to receive calls placed to a special number by customers from another exchange. The customer agrees to accept such calls on

a prepaid station toll call basis. The special number may be published in the directory of the exchange where the call originates. Cal-Ore Schedule CAL P.U.C. No. AE-6, Inter-Exchange Receiving Service shows a \$5.00 per month subscription rate. There are presently no customers for this service in the Newell and Tulelake Exchanges. Dorris on the other hand has four existing customers for Inter-Exchange Receiving Service in the Dorris and Macdoel Exchanges at the current rate of \$6.25 per month. This service has been offered by Dorris since June, 1967.

California-Oregon Telephone Co. requests approval to maintain and adopt the Dorris rate of \$6.25 per month for Inter-Exchange Receiving Service in all exchanges. In May 18, 1983, Dorris filed Advice Letter No. 81 for a general rate increase in accordance with Section VI of General Order 96-A. Among others, the rate for Inter-Exchange Receiving Service was increased to \$6.25 per month, Resolution T-10723. Some of the reasons cited to justify the increase were: 1) competition prevented the support of local rates by long distance charges; 2) increase in interest rates, costs of materials, supplies, labor and equipment additions to improve and maintain the quality of service. Cal-Ore's rate of \$5.00 per month for Inter-Exchange Receiving Service has remained the same since its effective date of October 29, 1970. No changes in the rate were ever requested since Cal-Ore has no customers for this service nor was there any financial impact from this service that ensued.

To keep attuned to the intents of Dorris' Advice Letter No. 81 and to facilitate better administration of tariffs, the rate of \$6.25 per month for all exchanges is just and reasonable and should be adopted.

Employee Concession

This employee benefit provides for a 50% reduction on the basic exchange access rate for local exchange telephone.

To clarify, and in compliance with Ordering Paragraph 4 of D.84-03-014, which authorized Dorris to prepare and file a single set of tariffs of common applicability to the entire Dorris system, preserving in the process, the authorized rates for each exchange, California-Oregon Telephone Co. requests approval to adopt Dorris' Schedule CAL P.U.C. No. A-16, Employees Service which states that the benefit is "applicable to local exchange telephone service furnished to employees". In contrast, Cal-Ore's Schedule CAL P.U.C. No. AE-5 states that the benefit is "applicable to residence telephone service for active and retired employees, except temporary employees". During the turnover to Dorris management, there were no Cal-Ore employees absorbed by Dorris. At that time there were no retired employees at Cal-Ore. Had there been any, adopting Dorris' CAL P.U.C. No. A-16 would constitute a rate increase. But since such is not the case, Cal-Ore's definition of "employees", which

embraces active and retired employees, is therefore not significant nor is it applicable to any of the present California-Oregon Telephone Co. workforce because it is comprised only of ex-Dorris employees. To summarize, there are no retired personnel from Cal-Ore in the Cal-Ore service area.

FINDINGS

California-Oregon Telephone Co.'s request, as discussed in this resolution is found to be just and reasonable. Therefore, good cause appearing,

IT IS ORDERED that:

- (1) California-Oregon Telephone Co. merge the Dorris and Cal-Ore tariffs, preserving in the process the authorized rates for each exchange.
- (2) California-Oregon Telephone Co. withdraw Joint User Service in all exchanges.
- (3) Continue providing Joint User Service to one customer at the subscription rate of \$3.00 per month, until discontinuance is requested by the subscriber, but reserving the right for any rate change in accordance with applicable Commission procedures.
- (4) Adopt Dorris' rate for Inter-Exchange Service in all exchanges.
- (5) Adopt Dorris' Schedule CAL P.U.C. No. A-16 on Employee Service.
- (6) California-Oregon Telephone Co.'s Advice Letter No. 130 is effective on January 16, 1989.
- (7) Cal-Ore's Advice Letter No. 158 is effective on January 16, 1989.
- (8) 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 January 11, 1989. The following Commissioners approved it:

G. MITCHELL WILK
President
FREDERICK R. DUDA
JOHN B. CHANIAN
Commissioners



Executive Director