

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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COMMISSION ADVISORY AND COMPLIANCE DIVISION  
Telecommunications Branch

RESOLUTION NO. T-13083  
July 6, 1989

Pacific Bell. Order authorizing a contract to provide four unique digital services for Kaiser Permanente.

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SUMMARY

This resolution authorizes Pacific Bell (Pacific) to provide four unique digital services for Kaiser Permanente under Schedule Cal. P.U.C. No. K2 - Customer Specific Contracts. These services will split Kaiser's voice and data digital service, routing the separated data to the appropriate network circuits. This service is not tariffed.

The estimated annual effect of this contract is \$3800.

A copy of Advice Letter No. 15668 and supplement A filed June 14, 1989 requesting authority to provide the above services was mailed to each customer named in the contract on June 9 and June 14 respectively of 1989. Pacific is also mailing copies to parties on the Consolidated Service List for A. 85-01-034, A.87-01-022, I.87-11-033 and Related Proceedings.

No protests or comments have been received.

BACKGROUND

Kaiser Permanente requested that Pacific provide the following four services:

- (1) A digital loop from Frontana Central office to its premises.
- (2) Back to back wiring at the Pasadena Central Office.
- (3) Software connections/translations in the Riverside Central Office.
- (4) Software connections/translations in the Gardena, Los Angeles and Orange Central Offices.

Pacific states in its advice Letter that " A special contract is required in this exceptional circumstance given the fact that this customer asked Pacific for a special wiring arrangement not available under the current tariffs. This arrangement is not a product that Pacific is considering offering to the general public. The only way to meet this customer request was to offer a customer specific contract".

Under the terms of the contract, Pacific proposes to provide the digital services to Kaiser Permanente at an one-time initial charge of \$1400 for the digital loop, \$1150 for the back to back wiring and \$75 per software connection/translation.

### DISCUSSION

Pacific filed Advice Letter No. 15568 on June 9, 1989 and Supplement A on June 14, 1989 requesting authority to provision four unique service offerings to Kaiser Permanente under Schedule Cal. P.U.C. No. K2- Customer Specific Contracts for a period of three years.

These services provide for software connections through existing digital central offices that will allow the splitting of voice and data of tariffed 1.544 Mbps high capacity digital service. Because the requested services are not tariffed and they are only applicable to Kaiser Permanente, the use of a contract in this situation is justified.

Tracking of revenues and costs will follow the procedures established in the workshops on special contracts in compliance with D. 88-09-059.

The rates and charges of this contract are not subject to Rule 33, the Billing Surcharge. All other appropriate surcharges will be applied.

Based on a review of the workpapers and other supporting documentation, the CACD Telecommunication Staff determined that the revenue derived from this contract covers Pacific's fully allocated costs to provide the service.

### FINDINGS

1. Pacific Bell by Advice Letter No. 15568 filed June 9, 1989 and Supplement A filed June 14, 1989 has requested authority to provide for the offering of a digital service to Kaiser Permanente under a customer specific contract for a period of three years.
2. The rates and charges set forth in the Kaiser Permanente contract cover the costs of providing this service based on the fully allocated embedded methodology.
3. Authorization of this contract will result in an estimated annual revenue impact of \$3800.
4. A contract is required for Kaiser Permanente because these unique services are not available under tariff and the best way to provide the services is under contract.
5. Schedule Cal. P.U.C. No. A2, Rule No. 33 surcharges are not applicable to the rates and charges set forth in this contract.

**IT IS ORDERED that:**

- (1) Authority is granted to make the above Advice Letter and contract effective on July 20, 1989.
- (2) The Advice Letter, Contract and Schedule Cal P.U.C. No. K2. original sheet 1 shall be marked to show that this was authorized under Resolution of the Public Utilities Commission of the State of California No.T-13083.
- (3) This contract is not subject to Rule No. 33, the Billing Surcharge. All other appropriate surcharges will apply.
- (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 July 6, 1989. The following Commissioners approved it:

G. MITCHELL WILK  
President  
FREDERICK R. DUDA  
STANLEY W. HULETT  
JOHN B. OHANIAN  
PATRICIA M. ECKERT  
Commissioners



Executive Director