PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

10/21

C-2

COMMISSION ADVISORY AND COMPLIANCE DIVISION RESOLUTION T-13099 Telecommunications Branch November 3, 1989

RESÓLUTIÓN

Pacific Bell. Order authorizing (1) the grandfathering of the existing High Voltage Protection Services listed under tariff Schedule Cal. P.U.C. No. A15 (Special Assemblies) and (2) the establishment of a new High Voltage Protection Services Tariff Schedule- Cal. P.U.C. No. A14.

<u>SUMMARY</u>

This resolution authorizes Pacific to establish a new High Voltage Protection Services Tariff Schedule- Cal P.U.C. No. A14. High Voltage Protection Services are currently provided under Tariff Schedule No. A15- Special assemblies.

This resolution will also grandfather the rates of existing customers using existing equipment under the present tariff. This tariff (No. A15) will be closed to new customers, since most of the existing equipment is no longer manufactured and can't be purchased.

High Voltage Protection Sérvices for all new customérs or existing customérs requesting new service or a change in existing service will be provisioned under the new tariff. The rates of the new tariff are higher than current rates, reflecting the higher cost of the newer equipment that is necessary to provide this service.

The current customer base bills less than \$200,000 annually. The estimated annual effect of the higher rates for new customers is minimal.

Pacific mailed a copy of Advice Letter No. 15586 requesting the above changes to competing and adjacent Utilities and/or other Utilities and interest parties. Current subscribers were notified of the proposed tariff changes via a letter dated October 3, 1989.

No protests or comments have been received.

BACKGROUND

Pacific filed Advice Letter No. 15586 on July 26, 1989 and supplement filed October 3, 1989 seeking authority to grandfather the existing High Voltage Protection Services Tariff-Cal P.U.C. No. A15.7 and to establish a new tariff- Cal P.U.C. No. A14 for the newer protective devices.

High Voltage Protection Services are currently provisioned under Tariff Schedule Cal P.U.C. No. A15.7. The tariff is equipment specific, that is each Universal Service Order Code (USOC) identifies a specific manufacturer's high voltage protection device model that applies (USOC's are used to identify items of service and equipment used with the service).

The listed equipment in the tariff, although adequate is technologically outmoded and replacement parts and spares are unavailable, since they have been discontinued by the manufactures. As a result, Pacific now provides High Voltage Protection Services using the newer, readily available protective devices under the existing tariffed USOC's and rates. The USOC's do not accurately describe the newer protective devices nor do the tariff rates cover Pacific's cost to provide the service with the newer equipment. The newer equipment cost three times as much as the older equipment, is more compatible with today's technologies and is also more compact in size.

DISCUSSION

The existing tariff rates for High Voltage Protective Services, established in 1975 do not recover the costs of the newer equipment. In most cases the tariffed equipment is no longer manufactured.

The Proposed new tariff (A14) includes a new rate structure that is service oriented rather than equipment sensitive. The proposed rates, although higher than the existing rates, are designed to fully recover the equipment costs as well as the installation charges of the newer equipment.

The newer equipment is more compatible with todays technologies and is also compact in size. In addition, the customer has the option of using Pacific's equipment or their own.

FINDINGS

- 1. Pacific Bell in Advice Letter No. 15586 filed July 26, 1989 has requested authority to grandfather the existing High Voltage Protective Services Tariff and to establish a new tariff for the newer protective devices.
- 2. The present rates do not recover the cost of providing service with the newer devices.

- Rates for new customers and or existing customers requesting changes in services or new services will be higher to recover the costs of providing the service with the newer equipment.
- 4. The annual revenue impact of Advice Letter No. 15586 is minimal.

IT IS ORDERED that:

- (1) Authority is granted to make the advice letter effective on November 4, 1989.
- (2) Advice Letter No. 15586 and Schedules Cal. P.U.C. No. Al4 and No. Al5 shall be marked to show the changes were authorized under Resolution of the Public Utilities Commission of the State of California No. T-13099.
- (3) The monthly rate for Schedule Cal. P.U.C. A15.7 is grandfathered.
- (4) The effective date of this resolution is today.

I certify that this Resolution was adopted by the Public Utilities Commission at its régular meeting on November 3, 1989. The following Commissioners approved it:

-3-

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

WISLEY FRANKLIN Acting Executive Director