

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

C-6

COMMISSION ADVISORY AND COMPLIANCE DIVISION  
Telecommunications Branch

RESOLUTION NO. T-14019  
November 22, 1989

Pacific Bell, ORDER AUTHORIZING SCHEDULE CAL. P.U.C. K2,  
CUSTOMER SPECIFIC CONTRACTS EXEMPT FROM RULE No. 33 - BILLING  
SURCHARGES.

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SUMMARY

This Resolution authorizes Pacific Bell to revise Schedule Cal. P.U.C. A2.1.33, Rule No. 33, Billing Surcharges, to include Schedule Cal. P.U.C. K2, Customer Specific Contracts, as an exception to Rule No. 33.

BACKGROUND

In Decisions No. 87-12-027 and 88-09-059, Pacific was given the authority to offer customer specific contracts in unusual and exceptional circumstances. These Decisions also instructed Pacific to list those contracts in a new tariff, Schedule Cal. P.U.C. K2, Customer Specific Contracts. This new tariff was effective with Advice Letter No. 15531A, Resolution T-13069 dated May 26, 1989.

In each of the resolutions authorizing a customer specific contract since May 26, 1989 this Commission has ordered that the surcharges/surcredits set forth in Pacific's Tariff Schedule Cal. P.U.C. A2, Rule No. 33 do not apply to the rates and charges covered by the contract.

DISCUSSION

One of the purposes of granting Pacific the authority to offer contracts was to provide the utility with a process to meet customer-specific service requirements which are not currently provided by a general tariff offering. One such requirement is a fixed rate over a fixed period of time. Also, in accordance with the contracts guidelines outlined in Section 5B, Appendix A of Decision No. 88-09-059, each service category of the contract must cover its cost and for Centrex contracts the price may not go below the single-line business rate plus the multi-line EUCL per line. The application of surcharges/surcredits not only would negate the fixed rate intent but may violate the requirements of section 5B,

Appendix A, D.88-09-059. We recognized this problem and have dealt with it as each customer specific contract comes up before this Commission. Our conclusion is that the surcharges/surcredits set forth in Pacific's Tariff Schedule Cal. P.U.C. A2, Rule No. 33 do not apply to the rates and charges in Customer Specific contracts and it is more efficient to administer this exemption in the billing tariff rather than to deal with it case by case in the resolutions authorizing the contracts.

FINDINGS

- (1) The surcharges/surcredits set forth in Pacific's Tariff Schedule Cal. P.U.C. A2.1.33, Rule No. 33 do not apply to the rates and charges of the contracts listed in Tariff Schedule K2.
- (2) The billing surcharge exemption for Tariff Schedule K2 contracts should be authorized in the Billing Surcharges Tariff, Schedule Cal. P.U.C. A2.1.33, Rule No. 33.
- (3) The rates, charges, terms and conditional service authorized in this resolution are just and reasonable;

IT IS ORDERED that:

- (1) Authority is granted to make Advice Letter No. 15622 filed on the 27th of October effective on November 23, 1989.
- (2) The Advice Letter authorized herein shall be marked to show that it was authorized under Resolution of the Public Utilities Commission of the State of California No. T-14019.

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 November 22, 1989. The following Commissioners approved it:

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

*Wesley Franklin*  
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 WESLEY FRANKLIN  
 Acting Executive Director