

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION  
Telecommunications BranchRESOLUTION NO. T-14045  
January 24, 1990R E S O L U T I O N

RESOLUTION T-14045. PACIFIC BELL. ORDER AUTHORIZING PRICE FLEXIBILITY FOR COMMSTAR FEATURES, COMMSTAR I AND COMMSTAR II SERVICES; INCREASES IN THE MINIMUM MONTHLY RATES FOR CERTAIN COMMSTAR AND COMMSTAR II SERVICES PRESENTLY OFFERED UNDER FLEXIBLE PRICING TARIFFS; AND REVISIONS TO THE PRESENT CUSTOMER NOTICE PROVISIONS ASSOCIATED WITH CHANGES IN RATES UNDER FLEXIBLE PRICING TO CONFORM WITH THE CUSTOMER NOTICE PROVISIONS SET FORTH IN D.89-10-031.

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SUMMARY

Pacific Bell (Pacific) by Advice Letter No. 15610, filed on September 26, 1989, Advice Letter No. 15610A, filed on December 13, 1989, and Advice Letter No. 15610B, filed on December 28, 1989, requests authority under General Order No. 96-A and D.88-09-059 and D.89-10-031 to establish price flexibility for COMMSTAR Features, COMMSTAR I and COMMSTAR II services; to increase the minimum monthly rates for certain COMMSTAR and COMMSTAR II services presently offered under flexible pricing tariffs; and to revise the present customer notice provisions associated with changes in rates under flexible pricing to conform with the customer notice provisions set forth in D.89-10-031. A description of these COMMSTAR features and services are set forth in Attachment A of this resolution.

D.88-09-059 authorizes flexible pricing for certain vertical services. All of the vertical services for which flexible pricing is authorized are commonly known as Custom Calling Services. COMMSTAR is Pacific's designation for its Custom Calling Services. The Advice Letters provide for the establishment of a flexible pricing "rate window" type of tariff for many of Pacific's COMMSTAR Features, COMMSTAR I and COMMSTAR II services (Cal. P.U.C. Schedule A5) as authorized in D.88-09-059. The floor prices are established at approximately 70% of the ceiling prices. The floor prices are at or above the direct embedded cost. In accordance with the provisions of D.89-10-031, the tariffs filed with the Advice Letters provide for customer notice for changes in rates within the rate windows.

No protests to the Advice Letters were filed.

BACKGROUND

In November 1987, the Commission instituted I.87-11-033 to reconsider the regulatory framework within which local exchange carriers are regulated. The investigation was structured into three phases, the first of which was to address pricing flexibility issues for services subject to competition. In April 1988, a settlement was reached among the parties. In D.88-08-059, the Commission proposed modifications to the settlement and in D.88-09-059 the Commission adopted a modified Phase I Settlement.

D.88-09-059 allows limited downward pricing flexibility for local exchange carriers' high speed digital private line, Centrex, and intraLATA vertical services (including Pacific's COMMSTAR services). Appendix A of D.88-09-059 sets forth a process and requirements for the filing of an advice letter requesting authorization of flexible pricing for vertical services. Such requirements include the following:

- Advice Letter filings shall be used to establish pricing flexibility for vertical services when public floors are requested.
- An LEC must submit an advice letter proposal containing the caps, initial rates or charges, floors, proposed tariff schedules, and cost support to the Commission Advisory and Compliance Division (CACD). Notice of submittal of the proposal shall be provided to all parties in I.87-11-033 at the time of submittal to CACD. Parties may request copies of the proposal and supporting cost data either before or after the submittal is made.
- An LEC may request confidential treatment of advice letter proposals and cost data. The parties to the Phase I Settlement (except the Division of Ratepayer Advocates (DRA)) must execute protective agreements to obtain this information.
- Rates may vary between a cap, which is the rate in effect when the request for rate flexibility is approved, and a floor. The LEC may request either a public or a nonpublic floor.
- The caps, the tariffed rates and charges and any public floors shall be filed with the Commission and included in the LEC's tariffs.
- For the purpose of establishing pricing flexibility, vertical services are limited to the following existing services as

presently defined in the LEC's tariff schedules:

- Call Waiting
- Call Forwarding
- Busy Call Forwarding
- Busy Call Forwarding - Extended
- Delayed Call Forwarding
- Three-Way Calling
- Speed Calling in all forms
- Intercom
- Direct Connection in all forms
- Call Restriction in all forms, except 976 blocking
- Call Hold
- Call Pickup

- All customers receive the tariffed rates and charges.
- All floor rates and charges shall be set at or above the cost of providing the service. The methodology for determining costs shall be either fully allocated or direct embedded.
- To the extent that costing methodologies and/or cost data are relied upon in establishing pricing flexibility, the use of a particular methodology or cost data should not be construed to be a finding that the data or methodology is appropriate or sufficient for purposes of other proceedings or filings absent a Commission order explicitly adopting such methodology and/or costs.
- Upon filing flexible vertical services tariff schedules, the LEC shall track on a monthly basis in-service and inward movement volumes; recurring and non-recurring billings; and recurring and non-recurring costs for each vertical service offered. The LECs shall propose a method for determination of such costs in their filings requesting rate flexibility.
- After review, CACD will indicate to the LEC if the proposal is suitable for filing. If so, the LEC may file an advice letter, which must be served on all parties in I.87-11-033 in conformance with the provisions of General Order No. 96-A.
- Parties may file comments or protests on the advice letter filing within 30 days of the filing. The LEC has 10 days to respond to comments or protests.
- CACD will recommend to the Commission whether the advice letter should be approved. A Commission resolution is necessary for the revised tariff schedules to become effective.
- The LEC may change the rates or charges between the authorized caps and floors as follows:

**Public Floor.** The LEC shall provide a letter to CACD, with tariff sheet revisions attached. For a rate or charge increase, the LEC must provide at least 30 days notice to all

affected customers and the new rates and charges will become effective 30 days following submittal to CACD.

D.89-10-031, which was issued after Advice Letter No. 15610 was filed, revised the procedure for changing the rates or charges between the authorized caps and floors as follows:

1. Changes will be made by advice letter filing.
2. Rate changes are effective on ten days' notice to all affected customers if the rate change is a decrease and on thirty days' notice to all affected customers if the rate change is an increase.
3. Any protests shall be filed within eight days after an advice letter is filed.
4. CACD shall notify the local exchange carrier within ten days after an advice letter is filed if its proposed tariff sheets are rejected.

D.89-10-031 also requires annual update of rate caps and floors for flexibly priced services. In addition, D.89-10-031 requires that Advice Letter No. 15610, which was filed under D.88-09-059, be amended to be consistent with D.89-10-031 prior to effectiveness of the proposed tariffs. Advice Letter Nos. 15610A and 15610B were filed by Pacific to satisfy these requirements.

Advice Letter Nos. 15610, 15610A and 15610B contain Pacific's request for pricing flexibility under the terms of D.88-09-059 and D.89-10-031 for vertical services. An advice letter proposal containing the proposed tariff revisions necessary to implement pricing flexibility for vertical services including the associated cost support was provided to CACD. Notice of submittal of the advice letter proposal to CACD was provided to all parties in I.87-11-033 at the time of submittal to CACD. With regard to the provision of the supporting cost information, Advice Letter No. 15610 states,

"Parties to the Phase I Settlement in I.87-11-033, other than DRA, must enter into protective agreements to obtain such information."

In the Advice Letter filing, Pacific establishes the present tariff rates (the ceiling rates of the rate window) as the rates applicable under the flexible pricing tariffs. As indicated in Advice Letter No. 15610, Pacific estimates that application of the floor rates will result in a reduction in annual billings of approximately \$39.1 million.

#### PROTESTS

No protests to the Advice Letters were filed.

DISCUSSION

By Advice Letter Nos. 15610, 15610A and 15610B, Pacific is requesting authority to establish flexible pricing for each of the vertical services listed in Appendix A of D.88-09-059 (Pages 5 and 6). Under Pacific's tariffs, these vertical services are known as COMMSTAR Features, COMMSTAR I and COMMSTAR II services.

The tariff sheets filed under the Advice Letters establish public floors for each of the vertical services. The tariff sheets also set forth the range of rates applicable for each vertical service under flexible pricing. The cap (maximum) rate as set forth in the tariff sheets for each vertical service is established at the rate currently in effect. Pacific requests that the initial rates under flexible pricing be the current tariff rates. Under the provisions of the tariff sheets filed under the Advice Letters, the monthly rates for COMMSTAR services offered under pricing flexibility will not vary for customers in the same Class of Service (Residence or Business).

COMMSTAR Features consist of the eight vertical services listed in Attachment A of this resolution. The COMMSTAR Features are offered either on an individual basis or in combinations with 2, 3, and 4 feature packages.

With regard to the COMMSTAR Intercom (Basic Intercom) features, Pacific's tariffs have been revised in the time period between the April 1988 submittal of the Phase I settlement agreement and the issuance of D.89-09-059 which adopted a modified Phase I settlement. Resolution No. T-13003, dated July 22, 1988, authorized Pacific Bell to restrict the Basic Intercom features to existing subscribers effective August 1, 1988. In place of the Basic Intercom features Pacific began offering Intercom Plus which is an enhanced version of Basic Intercom. It is reasonable to assume that the conditions of the Settlement which applied to Intercom should also apply to Intercom Plus.

COMMSTAR I is an optional telephone service arrangement of central office features furnished to individual line business and residence customers. The Basic Features of COMMSTAR I include Call Forwarding, Call Hold, and Three Way Calling as well as Touch-Tone Service. The Optional Features of COMMSTAR I are Call Waiting and Speed Calling. Each of the COMMSTAR I features and optional features are briefly described in Attachment A of this resolution.

COMMSTAR II is an optional telephone service arrangement of central office features furnished to individual line business and residence customers who wish to combine two to thirty exchange access lines. The Basic Features of COMMSTAR II are Call Hold, Call Pickup, Call Transfer, Three Way Calling and Intercom as well as Touch-Tone Service. The Optional Line Features of COMMSTAR II are Call Waiting, Call Forwarding, Busy Call Forwarding/Delay Call Forwarding, Speed Calling, and Call Selection. The Optional Group Feature of COMMSTAR II included in this filing is Additional Call Pickup groups. Each of the COMMSTAR II features and optional

features included in this filing are briefly described in Attachment A of this resolution.

Call Transfer, one of the COMMSTAR II Basic Features, and Touch-Tone Service which is included in the COMMSTAR I and COMMSTAR II Basic Feature Packages are not part of the list of vertical services set forth in Appendix A of D.88-09-059 for which pricing flexibility is authorized. In Advice Letter No. 15610 Pacific states,

"In addition Pacific wishes to include Touch-Tone Calling Service and Call Transfer to the list of vertical services offered under flexible pricing as these features are not optional features but are part of the basic package for COMMSTAR II. These features are already included in the flexible pricing regulation as described in current tariff Schedule Cal. P.U.C. A5.4.9, Sheet 442.28, item 17."

Since Pacific's currently effective tariffs provide for the offering of the COMMSTAR II Basic Feature Package under flexible pricing, Pacific's request to include Call Transfer and Touch-Tone Service as vertical services subject to price flexibility under the requirements of D.88-09-059 for the COMMSTAR II Basic Feature Package appears to be reasonable. Since the existing COMMSTAR I Basic Feature Package also includes Touch-Tone Service it appears reasonable to include Touch-Tone Service in the COMMSTAR I Basic Feature Package to be offered under price flexibility as authorized in D.88-09-059.

Call Selection, one of the COMMSTAR II optional features, is also not specifically listed as a vertical service in Appendix A of D.88-09-059. With regard to this issue, Pacific states in the Advice Letter No. 15610 that,

"Decision No. 88-09-059 lists call Restriction in all forms except 976 blocking as one of the vertical services to be included in flexible pricing. Pacific's COMMSTAR II Optional Line Feature, Call Selection, is a form of Call Restriction."

Based on Pacific's assertion that Call Selection is a form of Call Restriction, it appears reasonable to include Call Selection as a vertical service subject to pricing flexibility under the authority for pricing flexibility granted in D.88-09-059.

D.88-09-059 requires that all floor rates and charges for services offered under flexible pricing be set at or above the cost of providing the service and that the methodology for determining such costs should be either fully allocated or direct embedded.

Advice Letter No. 15610 states, "The present rate will become the 'cap' and a price somewhat above the direct embedded costs will become the 'floor'." In the cost studies provided by Pacific, Pacific develops both the recurring and nonrecurring costs associated with the provision of the vertical services for which Pacific is requesting pricing flexibility. Recurring costs include expenses such as return and income tax, depreciation,

maintenance, other taxes and administration expenses. Non-recurring costs include costs such as sales activities, moves and changes for residence and business subscribers, and station connection installations. For each vertical service, Pacific determined that the floor rate plus the present nonrecurring charges will be greater than the recurring plus nonrecurring costs of providing the vertical service.

In the cost studies Pacific indicates that Speed Call 8 and Speed Call 30 unit recurring costs are the same. The unit recurring cost for Speed Call 30 should be greater than the unit recurring cost for the Speed Call 8 feature because it takes more memory in the switch at the central office to store 30 numbers than it does to store 8. However, Pacific indicates that the difference between the unit recurring costs is very minor. The unit recurring costs appear to be reasonable for the purpose of establishing a rate floor. Based on a review of the cost study provided by Pacific, it appears that the proposed floor rates will cover the direct embedded costs of providing the vertical services for which Pacific is requesting flexible pricing.

Appendix A of D.88-09-059 contains a provision which states,

"... to the extent that costing methodologies and/or cost data are relied upon in establishing pricing flexibility, the use of a particular methodology or cost data used to derive and support recurring and nonrecurring cost should not be construed to be a finding that the data or methodology is appropriate or sufficient for purposes of other proceedings or filings absent a Commission order explicitly adopting such methodology and/or costs."

Pacific's Advice Letters contain the same provision.

With regard to tracking procedures, Advice Letter No. 15610 states,

"On a monthly basis, Pacific will track the monthly in service volumes, inward movement, recurring and nonrecurring billing. Monthly reports will be provided to the Commission 45 days after the end of the reporting period.

On an annual basis, Pacific will provide actual recurring and nonrecurring costs plus a description of extraordinary marketing/advertising costs both directly assignable to COMMSTAR or jointly with other products. Annual reports will be provided to the Commission for each year on or about March 31 of the following year."

Pacific provided an advice letter proposal for CACD review. The Advice Letters reflect the advice letter proposal after review by CACD.

In the Advice Letters Pacific state, "We are mailing copies to parties on the consolidated Service List for A.85-01-034, A.87-01-002, I.87-11-033 and Related Proceedings." No protests to the Advice Letters were filed.

This resolution reflects the analysis, review and recommendations of CACD for the Advice Letters requesting pricing flexibility for vertical services under the authority granted in D.88-09-059 and D.89-10-031. As required by D.88-09-059 the tariff revisions set forth in the Advice Letters will become effective upon Commission authorization by resolution.

Appendix A of D.88-09-059 sets forth the provisions for notice of changes in rates and/or charges under the flexible pricing tariffs. However, these provisions have been superseded by D.89-10-031, which states that "local exchange carriers are authorized to change their rates or charges through advice letter filings such that changes are effective on ten days' notice to all affected customers if the rate change is a decrease and on thirty days' notice to all affected customer if the rate change is an increase."

D.89-10-031 also requires that "Beginning in 1990, Pacific and GTEC shall file advice letters in accordance with General Order 96-A no later than October 1 of each year for Commission consideration and approval to update rates for ... rate caps and floors for flexibly priced services according to the adopted price cap mechanism with new rates, caps, and floors to be effective the following January 1."

Advice Letter 15610A and the associated tariff sheets contain the above provisions from D.89-10-031 with regard to notice of rate and/or charge changes and annual update of rate caps and floors.

Pacific's present tariffs provide for the offering of the COMMSTAR Feature Direct Connection (Shared and Unshared) and the COMMSTAR II Basic Feature Package under a flexible pricing offering. Advice Letter No. 15610 provides for increases in the floor (minimum) rates applicable to these services to bring these floor rates into conformance with the same parameters used to establish the floor rates for the services for which pricing flexibility is being established for the first time in this Advice Letter. Since the rates presently being charged to customers of these services are at the maximum, authorization of these increased rates will not affect the billing to existing customers. This Advice Letter will also make the customer notice provisions applicable to the existing services offered under flexible pricing tariffs the same as the notice requirements for the services for which pricing flexibility is being established by this Advice Letter. Pacific's present tariffs provide that the rates for Direct Connection (Shared and Unshared) and the COMMSTAR II Basic Feature Package can only be lowered and that notice to the "CPUC" of such a lowering of rates is required 30 days prior to the effective date of such decreased rates. Both the increases in the floor rates and the changes in the notice requirements reflect the application of uniform flexible pricing principles and therefore appear to be reasonable.



FINDINGS

We find that:

1. Pacific filed Advice Letter Nos. 15610 on September 26, 1989, 15610A on December 13, 1989 and 15610B on December 28, 1989 requesting Commission authorization for tariff provisions which:
  - a. Establish flexible pricing for vertical services (certain COMMSTAR, COMMSTAR I, and COMMSTAR II services) under the provisions of D.88-09-059 and D.89-10-031.
  - b. Increase the floor (minimum) rates for certain COMMSTAR and COMMSTAR II services presently offered under flexible pricing.
  - c. Revise the notice provisions associated with changes in rates and/or charges for the services presently offered under flexible pricing to conform with the notice provisions for the services for which pricing flexibility is first being established.
2. D.88-09-059 and D.89-10-031 set forth certain requirements for the filing of advice letters requesting authorization for flexible pricing tariffs for vertical services.
3. Advice Letter Nos. 15610, 15610A and 15610B conform to the requirements of Appendix A of D.88-09-059 and D.89-10-031.
  - a. Pacific is requesting authorization of flexible pricing for vertical services through an advice letter filing.
  - b. Pacific submitted an advice letter proposal containing the caps (maximum rates), initial rates, floors (minimum rates), proposed tariff schedules and cost support for the vertical services for which Pacific is requesting flexible pricing to CACD.
  - c. Pacific provided notice of the submittal of an advice letter proposal for flexible pricing of vertical services to all parties in I.87-11-033 at the time of submittal of such a proposal to CACD.
  - d. Pacific requests confidential treatment of the cost data associated with the Advice Letters authorized herein.
  - e. The rate caps requested by Pacific in this Advice Letter filing are equal to the presently effective tariff rates.
  - f. Pacific requests public floors for the vertical services for which Pacific is requesting flexible pricing.
  - g. The vertical services for which pricing flexibility is requested by Pacific and authorized in this resolution include only the vertical services set forth in Appendix A

of D.88-09-059 with the exception of Call Transfer and Touch Tone Service. (See Finding No. 5 below.)

- h. Under the provisions of the tariffs authorized herein, all customers will receive the vertical services at the tariffed rates and charges in exchanges in which such vertical services are offered.
  - i. The floor rates authorized herein are at or above the direct embedded costs of providing the services for which Pacific is requesting pricing flexibility.
  - j. To the extent that costing methodologies and/or cost data are relied upon in establishing pricing flexibility for vertical services, the use of a particular methodology or cost data should not be construed to be a finding that the data or methodology is appropriate or sufficient for purposes of other proceedings or filings absent a Commission order explicitly adopting such methodology and/or costs.
  - k. Advice Letter No. 15610 indicates that Pacific will track in-service and inward movement volumes; recurring and non-recurring billings; and recurring and non-recurring costs for each vertical service offered on a monthly basis and will provide reports to the Commission showing the results of the tracking data.
  - l. CACD reviewed Pacific's advice letter proposal for flexible pricing of vertical services and indicated that such proposal was suitable for filing as an advice letter.
  - m. The Advice Letters have been served on all parties to the I.87-11-033 proceeding.
  - n. This resolution reflects the analysis, review and recommendations of CACD for the Advice Letters filed by Pacific requesting pricing flexibility for vertical services.
  - o. Advice Letter No. 15610A allows for changes in rates between the authorized caps and floors by advice letter filing with ten days' notice on decreases and thirty days' notice on increases to affected customers.
  - p. Advice Letter No. 15610A indicates the requirement of annual update of rate caps and rate floors.
4. It is reasonable to include Intercom Plus as a form of Intercom service for the purposes of establishing pricing flexibility under the conditions of D.88-09-059.
  5. Based on the presently tariffed packaging of Call Transfer and Touch-Tone Service with the vertical services for which pricing flexibility is requested by Pacific Bell, it is reasonable to include Call Transfer and Touch-Tone Service in the pricing flexibility authorized herein.

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6. It is reasonable to include Call Selection as a form of Call Restriction for the purpose of establishing pricing flexibility under the conditions of D.88-09-059.
7. It is reasonable to revise the notice requirements for services offered under existing flexible pricing tariffs so that they will be the same as those for the services for which flexible pricing is being established by Advice Letter No. 15610A.
8. The requested increases in the floor rates for the COMMSTAR Feature Direct Connection-Shared and the COMMSTAR II Basic Feature Package are reasonable.
9. The rates, charges and conditions of service authorized in the Advice Letters are just and reasonable; therefore


IT IS ORDERED that:

- (1) Authority is granted to make the above Advice Letters and associated tariffs effective on January 25, 1990.
- (2) The Advice Letters authorized herein shall be marked to show that such Advice Letters and associated tariffs were authorized under Resolution T-14045 of the Public Utilities Commission of the State of California.

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 24, 1990. The following Commissioners approved it:

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

  
WESLEY FRANKLIN  
Acting Executive Director

## COMSTAR Features

The COMSTAR Features offered either individually or in combination with a packaged offering are described as follows:

1. Call Forwarding - permits the customer to automatically transfer all incoming calls to another telephone number.
2. Busy Call Forwarding - permits the transfer of incoming calls to a customer-designated number (intra-central office) when the customer's line is busy.
3. Delayed Call Forwarding - permits the transfer of incoming calls to a customer-designated number (intra-central office) when the customer's line remains unanswered after a customer-designated number of rings.
4. Busy Call Forwarding Extended - forwards calls to a number outside the customer's local central office provided forwarding is within the customer's IntralATA serving area.
5. Call Waiting - permits the customer engaged in a call to receive a tone signal indicating a second call is waiting; by operation of the switchhook, the customer can place the first call on hold and answer the waiting call. A three-way conference cannot be established.
6. Three-Way Calling - permits the customer to add a third party to an established connection. The customer initiating the conference controls the call and may disconnect the third party to re-establish the original connection or establish a connection to a different third party.
7. Speed Calling - permits the customer to place calls to other telephone numbers by dialing a one or two digit code rather than the complete telephone number. The feature is available as an eight code list or thirty code list. Either code list may include local and/or toll telephone numbers.
8. Interroom Plus - permits intercommunication between two or more customer provided telephone extensions answering the same telephone number. Interroom Plus includes:
  - Interroom Dialing which permits the customer to pick up the receiver, dial an access code and hang up. The central office then applies distinctive ringing to the customer's telephone line and all stations of that line.
  - Call Transfer which allows the customer to transfer an incoming call between extensions.

## ATTACHMENT A

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## COMSTAR Features - Continued

8. Intercom Plus - Continued

- Extension Hold which allows the customer to put a non-intercom call on hold.
  - Three-way Calling which allows the customer to add a third party to an established connection.
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## COMSTAR I

COMSTAR I features included in the Basic Feature Package are:

1. COMSTAR I Call Forwarding - permits the customer to automatically transfer all incoming calls to another telephone number and to restore it to normal operation at his discretion.
2. COMSTAR I Call Hold - permits the customer to place a call on hold by flashing the switchhook and dialing a code. This frees the line to originate another call or use the call pickup feature.
3. COMSTAR I Three-Way Calling - permits the customer to place a call on hold and complete a second call while maintaining privacy from the first call. In addition, the user may choose to add on the previously held call into a three-way conference.

The COMSTAR I Optional Line Features are:

4. COMSTAR I Call Waiting - provides a tone burst to a user on an existing call to indicate that another call is waiting.
5. COMSTAR I Speed Calling - allows a user to abbreviate dialing patterns for frequently called and emergency numbers. By dialing an access code followed by one digit a customer can dial up to 6 preprogrammed numbers.

## ATTACHMENT A

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## COMMSTAR II

COMMSTAR II features that are included in the Basic Feature Package are:

1. COMMSTAR II Intercom - permits the dialing of up to twenty-nine other lines by dialing an access code followed by two digits. Two user stations with the same line number cannot access each other utilizing the Intercom features.
2. COMMSTAR II Call Hold - permits the customer to place a call on hold by flashing the switchhook and dialing a code. This frees the line to originate another call or use the call pickup feature.
3. COMMSTAR II Call Pickup - permits a call to be answered which has been directed to another line in the COMMSTAR II group. Additional call pickup groups are available on an optional basis.
4. COMMSTAR II Call Transfer - allows any established call to be manually transferred to another line within or outside the COMMSTAR II. One person on the final connection must still be within the COMMSTAR II.
5. COMMSTAR II Three-Way Calling - allows a call in progress to be placed on hold and a second call completed while maintaining privacy from the first call. In addition, the user of a COMMSTAR II equipped line may choose to add on the previously held call into a three-way conference.

The COMMSTAR II Optional Line Features are:

6. COMMSTAR II Call Waiting - provides a tone burst on an existing call to alert the user that another call is waiting.
7. COMMSTAR II Call Forwarding - allows all calls made to the subscribing line to be automatically transferred to a different line, within or outside the COMMSTAR II.
8. COMMSTAR II Busy Call Forwarding/Delay Call Forwarding - automatically transfers incoming calls that encounter a busy line condition and/or a don't answer condition after a preselected number of rings (from 1 to 7) on the subscribing COMMSTAR II equipped line to an alternate designated line within the COMMSTAR II group. This feature is in operation on a continuous basis and cannot be activated or deactivated by the customer.

## ATTACHMENT A

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## COMMSTAR II - Continued

9. COMMSTAR II Speed Calling - allows a user to abbreviate patterns for frequently called and emergency numbers. By dialing an access code followed by one digit, a customer can dial up to 6 preprogrammed numbers.
10. COMMSTAR II Call Selection - allows a customer to determine which calls can be placed on the COMMSTAR II lines. There are three offerings:
  - A. Allows local calls (denies 7 and 10 digit toll, ZUM 2 and 3).
  - B. Allows local calls and ZUM 2 and 3 (denies 7 and 10 digit toll).
  - C. Allows local calls, ZUM 2 and 3, and 7 digit toll (denies 10 digit toll).

The COMMSTAR II Optional Group Feature included in this filing for flexible pricing is:

11. Additional Call Pickup groups are available as an optional group feature.