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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Commission Advisory and Compliance Division RESOLUTION T-14168
Telecommunications Branch September 25, 1990

R E S O L U T I O N

RESOLUTION T-14168. MOBILECOMM OF CALIFORNIA, INC.,
ORDER REJECTING REQUEST TO OFFER RATE REDUCTIONS UP TO
30% FOR ONE-WAY PAGING AND SIGNALING SERVICES IN SPECIAL
CIRCUMSTANCES.

BY ADVICE LETTER NO. 12, FILED ON JULY 25, 1990.

SUMMARY

This Resolution rejects Mobilecomm of California Inc.'s (Mobilecomm) Advice Letter No. 12, filed on July 25, 1990. In that Advice Letter, Mobilecomm seeks Commission authorization to offer discounts of up to 30% of the rates set forth in Schedule 4-T of its tariffs where warranted by special circumstances. For the reasons discussed herein, we find the request unjust, unreasonable and potentially discriminatory, and therefore, should be rejected.

BACKGROUND

Mobilecomm is a radiotelephone utility which provides services throughout California. In Advice Letter No. 12, Mobilecomm proposes to add the following provision to its One-way Paging and Signaling Service Tariff, Schedule No. 4-T, Sheet 11:

D.9. "Discounts for Special Circumstances

"Utility reserves the right, in response to special circumstances, including, but not limited to (a) changes in the competitive environment, (b) customer's actual or anticipated longevity, and/or (c) customer's creditworthiness, to offer reductions up to 30% of the rates set forth in Schedule 4-T herein."

The Advice Letter would have been effective August 24, 1990. However, Mobilecomm extended its effective date to September 30, 1990 upon Commission Advisory and Compliance Division's (CACD) request to allow time for resolution of CACD concerns and protest filed by ICS Communications, a competing radiotelephone utility in Southern California.

PROTESTS

ICS Communications (ICS) filed a protest with CACD on August 2, 1990. The issues raised in the protest are similar to those being raised by CACD, which are discussed below.

DISCUSSION

The proposed language in Mobilecomm's Advice Letter No. 12 is vague and allows for potentially discriminatory practices. We object to the vagueness of the requirements which the customers must meet to be eligible for reduced rates, and to the vagueness of the rate reductions available to customers.

It is unclear what is meant by "changes in the competitive environment", "customer's actual or anticipated longevity", "and/or customer's creditworthiness", and what the level of rate reductions that may be offered to a particular customer would be. The customer is not provided with specific guidelines to adhere to in order for him/her to qualify for such discounts.

We are concerned that the proposed reduced rates will not be made available to customers in a fair and nondiscriminatory manner. As written, the proposed tariff language would allow Mobilecomm the discretion to offer its tariffed services at whatever rates, limited to between 100% and 70% of tariffed rates, to whomever and whenever it chooses to do so. Such practice violates Public Utilities Code Section 453 (a) which states:

"No public utility shall, as to rates, charges, service, facilities, or in any other respect, make or grant any preference or advantage to any corporation or person or subject any corporation or person to any prejudice, or disadvantage."

For the above reasons, we find Mobilecomm's Advice Letter No. 12 to be unjust, unreasonable and potentially discriminatory, and should be rejected. ICS's motion to reject Mobilecomm's Advice Letter No. 12 is therefore granted.

FINDINGS

1. The proposed language does not contain clear and adequate guidelines for a customer to qualify for the proposed discount.
2. Mobilecomm's Advice Letter No. 12 would allow Mobilecomm the discretion to offer its tariffed services (Schedule Cal.P.U.C. 4-T) at whatever rates, limited to between 100% and 70% of tariffed rates, to whomever and whenever it chooses to do so.
3. Under the current regulation of radiotelephone utilities, the flexibility sought by Mobilecomm's Advice Letter No. 12 is unjust, unreasonable and potentially discriminatory.

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4. Mobilecomm's Advice Letter No. 12 violates Public Utilities Code Section 453 and should be rejected.

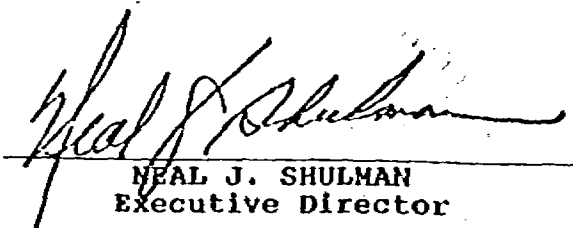
THEREFORE, IT IS ORDERED that:

1. Mobilecomm's Advice Letter No. 12 be rejected.
2. The accompanying tariff sheets to Advice Letter No. 12 have been rejected, and the Commission will return a complete set of rejected sheets to Mobilecomm of California, Inc. with a letter stating the reasons for its rejection.
3. Rejected tariff sheets shall be retained in the utility's file of cancelled and superseded sheets.
4. Sheet numbers and the Advice Letter number of the rejected filing shall not be reused.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on September 25, 1990. The following Commissioners approved it:

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

Commissioner John B. Ohanian,
being necessarily absent, did
not participate.


NEAL J. SHULMAN
Executive Director