

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION RESOLUTION T-14213
Telecommunications Branch November 21, 1990

R E S O L U T I O N

RESOLUTION T-14213. PACIFIC BELL. ORDER AUTHORIZING
PACIFIC BELL TO EXEMPT PUBLIC PACKET SWITCHING FROM
RULE 33, BILLING SURCHARGE.

BY ADVICE LETTER NO. 15828, FILED, OCTOBER 19, 1990.

SUMMARY

Pacific Bell (Pacific), by Advice Letter No. 15828 filed October 19, 1990 requests authority to revise Schedule Cal. P.U.C. A2.1.33, Rule 33, Billing Surcharge to include Public Packet switching, Schedule Cal. P.U.C. A18.1., as an exemption to this Rule.

BACKGROUND

The Rule 33 billing surcharge is used by the Commission to adjust Pacific Bell's revenue on an interim basis. The surcharge is a monthly percentage applied to all recurring and nonrecurring rates and charges for service or equipment provided under all of Pacific's tariff schedules except those excluded in Schedule Cal. P.U.C. A2.1.33 (e.g., 9-1-1 Emergency Service). Pacific's billing base is used to calculate the billing surcharge.

Public Packet Switching is a switched digital data transmission service. In D. 90-05-045, Pacific was given authority to offer Public Packet Switching as a Category III service ("below the line"). Pacific contends that as a result of being placed "below the line", Public Packet Switching is no longer contributing or detracting from the rate base, and as such should be exempt from Rule 33.

PROTESTS

No protests have filed to Pacific's Advice Letter No. 15828.

DISCUSSION

In D. 90-05-045, we concluded that Pacific's ratepayers should not assume the risk associated with Public Packet Switching (PPS) services. We also concluded that Pacific's PPS services should be accounted for "below-the-line" and not be subject to the sharing mechanism adopted in D. 89-10-031. Since services

accounted for "below-the-line" are not included in the billing base from which Rule 33 surcharges are determined, it is appropriate that PPS services should be exempt from Rule 33.

FINDINGS

We find that:

1. On October 19, 1990 Pacific filed Advice Letter No. 15828 requesting Commission authority to revise Schedule Cal. P.U.C. A2.1.33, Rule 33-Billing Surcharge to exempt Public Packet Switching.
2. PPS services are accounted for "below-the-line".
3. The rates, charges, terms and conditions authorized in this resolution are just and reasonable;

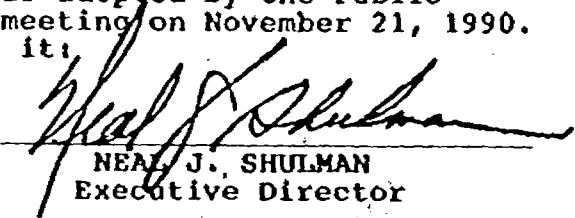
THEREFORE, IT IS ORDERED that:

- (1) Authority is granted to make the above Advice Letter effective on November 22, 1990.
- (2) PPS services shall be exempt from Rule 33.
- (3) All services accounted for "below-the-line" are exempt from Rule 33.
- (4) The Advice Letter and tariff schedule authorized herein shall be marked to show that they were authorized under Resolution of the Public Utilities Commission of the State of California No. T-14213.

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 21, 1990. The following Commissioners approved it:

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


NEAL J. SHULMAN
Executive Director

Commissioner Frederick R. Duda,
being necessarily absent, did
not participate.