

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Commission Advisory and Compliance Division  
Telecommunications BranchRESOLUTION T-14237  
December 6, 1990R E S O L U T I O N

RESOLUTION T-14237. TWENTIETH CENTURY CELLULAR, INC.,  
RESOLUTION ESTABLISHING CELLULAR RADIOTELEPHONE SERVICE  
DOWNWARD PRICING FLEXIBILITY PER TEMPORARY TARIFF  
AUTHORITY PURSUANT TO ORDERING PARAGRAPH NO. 8 OF DECISION  
90-06-025, AS MODIFIED BY DECISION 90-10-047.

BY ADVICE LETTER Nos. 27, 28, AND 29, FILED ON AUGUST 9,  
1990.

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SUMMARY

This Resolution authorizes Twentieth Century Cellular, Inc. to exercise downward pricing flexibility to its resale cellular radiotelephone services in the Oxnard/Ventura/Simi Valley, San Diego, and Los Angeles MSAs per Decision 90-06-025, as modified by Decision 90-10-047. This authority allows Twentieth Century Cellular, Inc. to make temporary tariff filings for reductions which will not impact an average customer's bill by more than \$10.00 per month. No protests were received.

BACKGROUND

Decision (D.) 90-06-025, as modified by D.90-10-047, authorized cellular radiotelephone utilities (resellers and facility-based carriers) to make rate reduction tariff filings which will not affect an average customer's bill by more than ten percent (10%). Such offers can be classified as a temporary tariff and made effective on the date filed. According to Ordering Paragraph 8.b.(2) of the modified Decision:

"If a protest is filed, the tariff shall remain a temporary tariff until the protest has been resolved or by order of of the Commission; if, within six months of the filing of the temporary tariff, no resolution of the protest takes place and the Commission does not act, the protest shall be deemed denied and the tariff shall be classified as a permanent tariff pursuant to the terms of the tariff provisions."

The Commission requires cellular utilities, prior to making use of such temporary tariff filings, to make annual filings to establish a range of its downward pricing flexibility. The

initial filing shall be effective only upon Commission resolution; subsequent filings to renew this authority shall be through 40-day effective date advice letters.

The Commission also requires that the advice letters requesting temporary tariff authority contain calculations sufficient to support the requested range of flexibility. Utilities can request less than the maximum ten percent of the average customer bill as the allowed range, but must file a further advice letter if they wish later to expand the range.

In addition, D.90-06-025 does not permit temporary tariff filings to increase any rate element.

On August 9, 1990, Twentieth Century Cellular, Inc. (Twentieth Century), a cellular reseller, requested authority to file temporary tariffs authorized by D.90-06-025 by filing Advice Letter (A.L.) Nos. 27, 28 and 29 for its services in the Oxnard/Ventura/Simi Valley, San Diego, and Los Angeles MSAs respectively. Twentieth Century submitted certain proprietary information to the Commission Advisory and Compliance Division (CACD), under seal of confidential treatment pursuant to General Order No. 66-C, to support its requested range of pricing flexibility.

#### PROTESTS

No protests were received regarding these filings.

#### DISCUSSION

In Resolution T-14126, dated September 12, 1990, the first resolution granting temporary tariff filing authority, the Commission encouraged the sharing of supporting information submitted under seal of confidential treatment between parties through a mutually satisfactory nondisclosure agreement. To avoid any further conflict on this issue, we will as a standard procedure provide in our resolution a summary of the methodology of calculation, period used to estimate requested average customer bill, the components of the retail average customer bill, and the range of the average monthly bill.

To determine the monthly retail subscriber bills for the San Diego and Oxnard/Ventura/Simi Valley MSAs, Twentieth Century took the average of the total billings for each month divided by the active customer base for the month, for the period of December 1989 through August 1990. Los Angeles MSA's average retail subscriber bill was calculated using the same method described earlier, but for the period of March 1990 through August 1990. The average monthly retail subscriber bill for each of the three MSAs was found to be in the range of \$100 to \$140.

CACD has reviewed the submitted information supporting the requested range of downward pricing flexibility and finds it to be sufficient.

**FINDINGS**

- 1.) We find that Twentieth Century has submitted sufficient information and calculations in its Advice Letter Nos. 27, 28 and 29, and associated proprietary submittal to CACD to support the requested range of downward pricing flexibility.
- 2.) Temporary tariff filings may not be used to increase any rate element.

**THEREFORE, IT IS ORDERED that:**

1. Twentieth Century Cellular, Inc.'s Advice Letter Nos. 27, 28, and 29 be made effective today.
2. Twentieth Century Cellular, Inc. is authorized to file, as temporary tariffs effective immediately, rate reductions which will not impact an average customer's bill by more than \$10.00 at any one time.
3. Such temporary tariff filings shall become permanent pursuant to the conditions established in Ordering Paragraph No. 8 of Commission Decision 90-06-025, as modified by Decision 90-10-047.
4. This temporary tariff authority is valid for the period of one year from the effective date of this Resolution and may be renewed annually by 40-day effective date advice letters.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on December 6, 1990. The following Commissioners approved it:

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

  
NEAL J. SHULMAN  
Executive Director