

tempered this requirement until a further decision on this matter is issued. In the interim, LECs may file advice letters for Centrex contracts using the pricing methodology approved by the Commission in D.88-09-059.

BOA currently takes Centrex service under tariff, and Pacific has requested authority under a separate advice letter to offer BOA Centrex service under a customer specific contract.

The contract filed under Advice Letter No. 15989 covers the provision of Centrex features to BOA. Centrex is a central office based communications system equipped with primary station lines capable of receiving direct in-dialed calls and capable of direct out-dialing of calls with optional features.

Under the terms of the contract, Pacific agrees to provide Centrex service (Electronic Tandem Network features only) to BOA at three central office locations for a period of five years at a monthly rate of \$127,175.52. Growth features over the maximum quantities contracted or at added locations will initially be provided at the prevailing tariff rates. Pacific indicates that Commission authorization of this contract will result in a decrease in annual revenue of \$869,800 for the life of the contract.

NOTICE/PROTESTS

Pacific states that a copy of the Advice Letter was mailed to competing and adjacent utilities and/or other utilities and to the customer named in the contract.

No protests have been filed on Pacific's Advice Letter No. 15989.

DISCUSSION

In reviewing Advice Letter No. 15989, we note the following.

- a. The contract contains the necessary language which conditions its approval upon Commission authorization.
- b. The Advice Letter and the contract are public documents.
- c. Pacific requests in the Advice Letter that the workpapers and supporting cost documentation associated with the contract be treated as confidential.
- d. Pacific has offered the parties to the Phase I Settlement in I.87-11-033 the opportunity to receive and review the workpapers and supporting documentation associated with the contract if such a party (Division of Ratepayer Advocates excepted from this requirement) first enters into a protective agreement.

e. The contract provides for the offering of Centrex service which is an appropriate service for offering under a contractual arrangement.

f. The rates and charges set forth in the contract cover the direct embedded cost of providing the Centrex service offered under the terms of the contract.

g. The Advice Letter indicates that the costs and revenues associated with the contract will be tracked.

We conclude that the Advice Letter meets the requirements set forth in the previously mentioned Commission orders and G.O. 96-A, and should be approved. However, we must emphasize that our approval is based on the specifics of the Advice Letter and the associated contract, and does not establish a precedent for the contents or for Commission approval of similar requests.

FINDINGS

1. Pacific Bell filed Advice Letter No. 15989 on June 4, 1991 requesting Commission authorization to provide Centrex features to BOA under a customer specific contract.
2. The Advice Letter and the contract conform to the requirements of Decision Nos. 88-09-059 and 91-01-018, Resolutions Nos. T-13069 and T-13091, and G.O. 96-A.
3. Authorization of the BOA contract will result in an estimated decrease in Pacific's annual revenue of \$869,800 for the life of the contract.
4. Commission authorization of the Advice Letter and the contract does not establish a precedent for the contents of the filing, or the Commission approval of similar requests. Commission approval is based on the specifics of the BOA contract.
5. The rates, charges, terms and conditions of the Centrex contractual service in this Resolution are just and reasonable.

THEREFORE, IT IS ORDERED that:

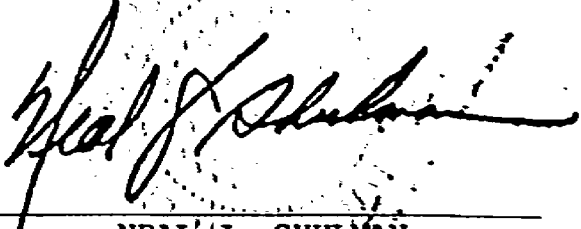
1. Authority is granted to make Advice Letter No. 15989 and the contract between Pacific Bell and Bank of America N.T. & S.A. effective on July 3, 1991.
2. The Advice Letter, tariff sheets and contract authorized herein shall be marked to show that they were authorized under Resolution of the Public Utilities Commission of the State of California No. T-14503.

July 2, 1991

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 July 2, 1991. The following Commissioners approved it:

PATRICIA M. ECKERT
President
G. MITCHELL WILK
JOHN B. OHANIAN
DANIEL Wm. FESSLER
NORMAN D. SHUMWAY
Commissioners



NEAL J. SHULMAN
Executive Director