

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
COMMISSION ADVISORY AND COMPLIANCE DIVISION RESOLUTION T-14612
Telecommunications Branch October 11, 1991

R E S O L U T I O N

RESOLUTION T-14612. WINTERHAVEN TELEPHONE COMPANY (U-1021-C). ORDER AUTHORIZING WINTERHAVEN TO IMPLEMENT A SIXTEEN MONTH EXPERIMENTAL TARIFF OFFERING SEASONAL RESIDENTIAL TELEPHONE SERVICE.

BY ADVICE LETTER No. 27, FILED ON July 17, 1991, and SUPPLEMENT No. 27A, FILED ON September 12, 1991.

SUMMARY

Winterhaven Telephone Company (Winterhaven), by Advice Letter No. 27 filed July 17, 1991, as supplemented (No. 27A) on September 12, 1991, requests authority to offer an experimental seasonal residential telephone service.

In this offer, Winterhaven proposes to waive installation charges to seasonal residents who made a positive revenue contribution in the prior season.

Winterhaven would offer this service for a period of sixteen months, after which time the company would review its records to determine the revenue, number of customers, and expenses for this offering. If the service is profitable, the Company may then request that the service become a permanent offering; otherwise the service will expire within twelve months from the effective date of this Resolution.

This Resolution authorizes Winterhaven to make its Schedule No. A-18, Experimental Seasonal Residential Service effective today.

BACKGROUND

Winterhaven serves in California in an Arizona Local Access and Transport Area (LATA), and has a large retiree population from the northern states during the fall months. These customers have limited income, and are discouraged from taking local telephone service because of the installation charges involved. These multi-element service charges (Schedule A-13) are \$8.00 for each service order, and \$8.50 for each telephone line connected at the Central Office. Residential monthly service rates are \$12.55 per line.

Winterhaven believes that this population is a potential source of revenue so it proposes waiving the installation charges to those who made a positive revenue contribution in the prior season. Winterhaven proposes to reach potential customers through flyers that will be distributed in parking lots.

Winterhaven would offer this service for sixteen months, after which time the company would review its records to determine the revenue, number of customers, and expenses for this offering. If the service is profitable, Winterhaven may then request that the service become a permanent offering.

Winterhaven will notify customers through newspaper and bill inserts. Winterhaven estimates a first year revenue effect of \$21,725 for this offer. This does not consider the potential toll and optional services revenue.

Winterhaven's Advice Letter No. 27 originally requested a trial period not to exceed one year, but Winterhaven requested to offer the experimental service for sixteen months in its Supplement No. 27A.

DISCUSSION

Winterhaven notes that US West, another serving telephone company in the Arizona LATA, offers a seasonal plan to communities in the area. As a result, Winterhaven's subscribers have asked for a similar service. Winterhaven adds that it will keep records for one year to determine the profitability of this offer, and then decide whether or not to file this as a permanent offer.

Universal Lifeline Telephone Service (ULTS) subscribers do not qualify for Schedule A-18, Experimental Seasonal Residential Service, since ULTS requires the premises at which service is requested be the customer's principal place of residence.

PROTESTS

No protests have been received to Winterhaven Advice Letter No. 27 or Supplement No. 27A.

FINDINGS

1. Winterhaven filed Advice Letter No. 27 on July 17, 1991, and Supplement No. 27A on September 12, 1991, proposing a sixteen month experimental seasonal residential service.
2. Winterhaven will keep records for sixteen months to determine the profitability of this offering. Winterhaven will provide the results to Commission staff for evaluation and will decide whether or not to file this as a permanent offering.
3. The experimental seasonal residential service is not available to ULTS subscribers.

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4. No protests were received to Winterhaven's Advice Letter No. 27 or Supplement No. 27A.

THEREFORE, IT IS ORDERED that:

1. Winterhaven's Advice Letter No. 27, filed July 17, 1991, as supplemented by Supplement No. 27A on September 12, 1991, is made effective today.
2. Winterhaven's Schedule A-18, Experimental Seasonal Residential Service shall expire sixteen months from today.
3. Winterhaven shall keep records for sixteen months to determine the profitability of this offering. Winterhaven will provide the results to the Commission Advisory and Compliance Division Staff for evaluation. Winterhaven may decide whether or not to file this as a permanent offer after the expiration of this experimental offer.
4. All tariff sheets filed under Advice Letter No. 27 and Supplement No. 27A shall be marked to show that such sheets were authorized by Resolution No. T-14612 of the Public Utilities Commission of the State of California.

The effective date of this resolution is today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on October 11, 1991. The following Commissioners approved it:


NEAL J. SHULMAN
Executive Director

JOHN B. OHANIAN
DANIEL Wm. FESSLER
NORMAN D. SHUMWAY
Commissioners

Commissioner Patricia M. Eckert,
being necessarily absent, did
not participate.