

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION
Telecommunications BranchRESOLUTION NO. T-14661
November 20, 1991R E S O L U T I O N

RESOLUTION T-14661. DORSA COMMUNICATIONS, INC.
RESOLUTION ESTABLISHING TEMPORARY TARIFF AUTHORITY FOR
CELLULAR RADIOTELEPHONE SERVICE DOWNWARD PRICING
FLEXIBILITY PURSUANT TO ORDERING PARAGRAPH NO. 8 OF
DECISION 90-06-025, AS MODIFIED BY DECISION 90-10-047.

BY ADVICE LETTER NO. 6, FILED ON OCTOBER 1, 1991.

SUMMARY

This Resolution authorizes Dorsa Communications, Inc. (Dorsa) to exercise downward pricing flexibility for its retail cellular radiotelephone services per Decision (D.) 90-06-025, as modified by D.90-10-047. This authority allows Dorsa to make temporary tariff filings for rate reductions which will not impact an average customer's bill by more than ten percent (10%). No protests to the advice letter were received.

Copies of the advice letter have been served to all competing and adjacent utilities pursuant to D.90-06-025 and General Order (G.O.) 96-A, Section III.G.

BACKGROUND

D.90-06-025, as modified by D.90-10-047, authorized cellular radiotelephone utilities (resellers and facilities-based carriers) to make rate reduction tariff filings which will not affect an average customer's bill by more than ten percent (10%). Such filings can be classified as temporary tariffs 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 the 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."

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The Commission requires a cellular utility, prior to making use of such temporary tariff filings, to make an annual filing to establish a range of 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 letter requesting temporary tariff authority contain calculations sufficient to support the requested range of flexibility. A utility 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 the range is to be expanded. In addition, D.90-06-025 does not permit temporary tariff filings to increase any rate element.

On October 1, 1991, Dorsa, a cellular reseller providing service in the San Francisco, San Jose, Vallejo-Fairfield-Napa, Santa Rosa-Petaluma, Santa Cruz, Sacramento, Stockton, and Fresno areas filed Advice Letter No. 6 requesting temporary tariff authority pursuant to D.90-06-025. Dorsa submitted certain proprietary information to the Commission Advisory and Compliance Division (CACD), under seal of confidential treatment pursuant to General Order (G.O.) 66-C to support its requested range of pricing flexibility.

NOTICE/PROTESTS

Public notice that Dorsa filed Advice Letter No. 6 appeared in the California Public Utilities Commission's October 4, 1991 Daily Calendar. In addition, copies of Dorsa's Advice Letter No. 6 were mailed to competing and adjacent utilities in accordance with D.90-06-025 and G.O. 96-A, Section III.G.

No protests have been received by CACD.

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 the utility and interested parties through a mutually satisfactory nondisclosure agreement. The Commission also decided to include in any resolution granting a utility temporary tariff authority, basic information supplied in the supporting calculation. We are providing as a standard procedure, a summary of the methodology of calculation, the period used to estimate the average customer bill, the composition of the retail customer bill (i.e. air time charges, monthly access fee, activation fee, and optional features), and the range of the average monthly bill.

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In determining the average monthly retail customer bill, Dorsa used the total service revenues for the period March 1991 through August 1991, and divided each month's amount by the active number of subscribers for that month. These numbers were then summed up and divided by six months. The components of Dorsa's service revenues include the monthly access charge, usage charge, activation fee, and optional features. Dorsa's average monthly retail subscriber bill has been established to be within the range of \$150 to \$200.

CACD has reviewed the submitted information supporting the requested range of downward pricing flexibility and has determined that Advice Letter No. 6 meets the requirements set forth in D.90-06-025 and D.90-10-047, and should therefore be approved.

FINDINGS

In relation to its Advice Letter No. 6, Dorsa has submitted sufficient information, including proprietary data, to support its requested range of downward pricing flexibility required by D.90-06-025, as modified by D.90-10-047.

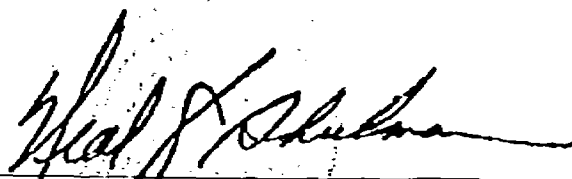
THEREFORE, IT IS ORDERED that:

1. Dorsa Communications, Inc. is authorized to file, as temporary tariffs effective on the date of filing, rate reductions which will not impact an average customer's monthly bill by more than ten percent (10%) at any one time.
2. 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.
3. This temporary tariff authority is valid for a period of one year from the effective date of this Resolution and may be renewed annually through a 40-day effective date advice letter.

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 November 20, 1991. The following Commissioners approved it:

PATRICIA M. ECKERT
President
DANIEL Wm. FESSLER
NORMAN D. SHUMWAY
Commissioners


NEAL J. SHULMAN
Executive Director

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