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# PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Commission Advisory and Compliance Division Telecommunications Branch

RESOLUTION T-14986 July 22, 1992

### RESQLUTION

RESOLUTION T-14986. ALPINE CA-3 L.P. AND CELLULAR 2000. REQUEST TO SET ROAMER RATES OUTSIDE EACH COMPANY'S CELLULAR GEOGRAPHICAL SERVICE AREA.

BY ADVICE LETTER NO. 10, FILED ON MAY 5, 1992, SUPPLEMENTAL ADVICE LETTER NO. 10-A, FILED ON MAY 28, 1992, AND SUPPLEMENTAL ADVICE LETTER NO. 10-B, FILED ON JUNE 23, 1992 BY ALPINE CA-3 L.P.; AND BY ADVICE LETTER NO. 11, FILED ON APRIL 22, 1992 BY CELLULAR 2000.

## SUMMARY

This Resolution authorizes nonwireline carriers Alpine CA-3 L.P. and Cellular 2000 to set the retail rates paid by their own cellular customers who roam outside their service areas. Alpine CA-3 L.P. proposes to offer this rate for its customers who travel in the Sacramento, Stockton, Modesto, Merced, and/or Fresno areas of the nonwireline carrier. Cellular 2000 proposes to offer this rate for its customers who travel in the Stockton, Modesto, and/or Fresno areas of the nonwireline carrier. Both Alpine CA-3 L.P. and Cellular 2000 proposed rates will result in either the same or lower rates for their customers who roam. The authorities granted to Alpine CA-3 L.P. and Cellular 2000 shall be effective until October 31, 1992, as requested by the utilities. By an advice letter filing, these authorities can be extended for a maximum period of one year from the effective date of this Resolution. Requests for further extension or requests to make the rates permanent shall be filed through an application. There were no protests to these advice letters.

#### BACKGROUND

Alpine CA-3 L.P. (Alpine) and Cellular 2000 (Cellular) are facilities-based cellular telecommunications carriers. Alpine operates in Madera, Merced, and San Benito Counties. Cellular operates in Alpine, Amador, and Calaveras Counties. Each carrier has filed an advice letter to offer retail rates for its own customers who roam in the Stockton, Modesto, and/or Fresno areas of the nonwireline carrier. Also, the Alpine request includes rates for Merced and Sacramento areas. Each carrier proposes to set the following rates for its customers: Access Charges - None, Usage Rates - to be based on the service area usage rates of the customer's current service plan with the cellular carrier.

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On May 28, 1992, Alpine supplemented Advice Letter No. 10 to include a rate for customers who roam into the Sacramento area. On June 23, 1992, Alpine filed another supplement to its Advice letter to include tariff language stating that Alpine will not apply its proposed rates in cases where the proposed rates are higher than the current applicable rates charged by the cellular company providing service to the roaming Alpine customer.

A roamer rate is a rate charged by a carrier to a cellular customer who travels into that carrier's cellular geographical service area (CGSA), an area outside the CGSA of the designated carrier of the customer. The carrier that provides the roaming cellular service to the visiting customer normally sets those rates and bills the customer's carrier, who in turn bills the customer the rate it was charged.

In their respective advice letters, Alpine and Cellular do not automatically pass through the other carrier's roaming rate to their customers who roam outside their service areas. Alpine proposes to charge its own customers who roam into the Sacramento, Stockton, Modesto, Merced, and/or Fresno nonwireline systems the lesser of: normally applicable roaming rates of the carrier providing roaming service or the service area usage rate of the customer's current retail plan. Cellular proposes to charge its own customers who roam into the Stockton, Modesto, and/or Fresno nonwireline systems the service area usage rate of the customer's current retail plan. Based on Alpine's various existing plans and Cellular's sole existing plan, both their proposals will offer customers rates which are the same or lower than the roamer rates charged by the carrier which provides service.

# NOTICE/PROTESTS

Public notice of Alpine's Advice Letter No. 10 and Cellular's Advice Letter No. 11 was made by publication in the Commission's Daily Calendar of May 11, 1992 and April 24, 1992, respectively. Supplemental Advice Letter Nos. 10-A and 10-B appeared on the June 3, 1992 and June 26, 1992 Commission Daily Calendars. Also, pursuant to General Order No. 96-A, Section III, Paragraph 6, the utilities mailed copies of their respective advice letters to other utilities and to all interested parties requesting notification. No protests were received.

### DISCUSSION

By their respective Advice Letters, Alpine and Cellular propose to offer roamer tariffs for their own customers who travel outside their service areas. These proposed offerings deviate from the normal roamer tariff offerings because a roamer rate is usually set by the carrier providing the cellular service.

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In Resolution T-14621, the Commission expressed concern over McCaw carriers setting roamer rates for their own customers when they travel into another carrier's CGSA and roamer service is provided by another carrier. Since the carrier providing the roamer service normally sets the roamer rates, the Commission was only willing to accept the McCaw roamer tariffs on a provisional basis. Resolution T-14621 required that any request to make the provisional tariffs permanent needed to be filed as a formal application.

In Resolution T-14621, the Commission determined that when McCaw files an application to make the roamer rates set for their own customers permanent, we will have the opportunity to evaluate the reasonableness of setting roamer rates outside a carrier's service territory. Until that time, we will follow the process established in Resolution T-14621. Any request for authority to set rates outside a carrier's service area should result either in revenue neutrality for that particular carrier or a decrease in the rate of the roamer customers. Alpine and Cellular's requests meet the latter qualification.

Based on the customer's current service plan, Alpine's proposal will result in a lower rate for some customers. Alpine's intent is to provide its customers service at the lowest applicable rates. Thus, Alpine will charge its customers who roam outside its service area the current applicable roaming rates charged by the carrier providing cellular service when Alpine's proposed rates are higher than the normally applicable roaming rates.

Based on its only existing plan, Cellular's proposal will result either in the same or lower rates than the regular roaming rates charged by the carrier providing service to roamer customers.

Since Alpine's and Cellular's proposals will result in either the same or lower roamer rates for their own customers, we will approve their requests to set roamer tariffs outside their CGSA from the effective date of this Resolution to October 31, 1992, as requested. By filing an appropriate advice letter, the tariff may be extended for a maximum period of one year from the effective date of this Resolution. Request for further extension of or permanent authority for these requests should be filed as an application.

#### **PINDINGS**

- 1. A roamer rate is a rate that is charged by a carrier to a cellular "visitor" in a carrier's CGSA.
- 2. Alpine requests authority to set roamer rates for its own customers who travel into the Sacramento, Stockton, Modesto, and/or Fresno areas of the nonwireline carrier. Alpine requests that this authority be effective until October 31, 1992.

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- 3. Cellular requests authority to set roamer rates for its own customers who travel in the Stockton, Modesto, Merced, and/or Fresno areas of the nonwireline carrier. Cellular requests that this authority be effective until October 31, 1992.
- 4. By its Resolution T-14621, the Commission approved on a provisional basis the McCaw-Affiliated companies' requests to set roamer rates outside their CGSA's.
- 5. The advice letters of Alpine and Cellular are similar to McCaw-Affiliated companies filings.

## THEREFORE, IT IS ORDERED that:

- 1. Alpine CA-3 L.P. is granted authority to set the roamer rates for its own customers who travel in the Sacramento, Stockton, Modesto, Merced, and/or Fresno areas of the nonwireline carrier, as requested in its Advice Letter No. 10 and Supplements. This authority shall become effective on the effective date of this Resolution up to October 31, 1992, as requested. This authority may be extended up to July 22, 1993, by filing an appropriate advice letter to be effective on 30 days notice without further Commission action. Request for further extension or permanence of this authority shall be filed through an application.
- 2. Cellular 2000 is granted authority to set the roamer rates for its own customers who travel in the Stockton, Modesto, and/or Fresno areas of the nonwireline carrier, as requested its Advice Letter No. 11. This authority shall become effective on the effective date of this Resolution up to October 31, 1992, as requested. This authority may be extended up to July 22, 1993, by filing an appropriate advice letter to be effective on 30 days notice without further Commission action. Request for further extension or permanence of this authority shall be filed through an application.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on July 22, 1992. The following Commissioners approved it:

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

MEAL-J. SHULMAN Executive Director