

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
COMMISSION ADVISORY AND COMPLIANCE DIVISION RESOLUTION T-15031
Telecommunications Branch July 22, 1992

R E S O L U T I O N

RESOLUTION T-15031. PACIFIC BELL (U-1001-C). REQUEST FOR AUTHORITY TO WITHDRAW DATA ACCESS LINE SERVICE AS A SEPARATELY TARIFFED SERVICE AND TO SUPPORT LOW SPEED ANALOG TRANSMISSION OF DATA OVER REGULAR ACCESS LINES.

BY ADVICE LETTER 16225, FILED ON APRIL 10, 1992.

SUMMARY

Pacific Bell (Pacific), by Advice Letter No. 16225, filed April 10, 1992 requests authority under provisions of General Order 96-A to revise tariff Schedules Cal. P.U.C. No. A1, A2, A3 and A5 to withdraw Data Access Line service as a separately tariffed premium service, and to state that Pacific will hereafter support analog transmission of data up to 4800 bits per second (bps) over regular access lines. This resolution approves Pacific's request.

BACKGROUND

By Advice Letter No. 14955, filed July 31, 1985, Pacific requested and was granted authority (Resolution T-10969, dated September 6, 1985) to establish tariff schedule Cal.P.U.C. No. A5.2.1.A.2.h to offer Individual Line Measured Rate Business Service - Data (referred to hereafter as Data Access Line service or DAL). This tariff item provided for a grade of analog access line that met higher quality transmission standards than those for regular voice-grade lines, and stated specifically that it would "meet parameters developed to allow transmission speeds of up to 4800 bps." This tariff offering was authorized on a 24 month provisional basis pending review by the CPUC of cost-tracking information. Pacific subsequently filed Advice Letter 15287, on August 14, 1987, to extend the provisional offering of Data Access Line service for a period of 12 months to September 1, 1988. By Advice Letter 15430, filed on July 20, 1988, Pacific requested permanent tariff authority for its Data Access Line service. This advice letter became effective on August 30, 1988.

On April 10, 1992, Pacific filed Advice Letter No. 16225 requesting authority to discontinue Data Access Line service within a two year period. Pacific states that technological advances in customer-owned modems, facsimile machines, and other

equipment enhancements, along with enhancements to Pacific's network, have made subscription to the Data Access Line service unnecessary.

NOTICE/PROTESTS

Pacific states that a copy of the advice letter was mailed to all competing and adjacent utilities and/or other utilities, and interested parties, as requested, in compliance with General Order No. 96-A, Section III. G. Pacific also states that, concurrent with filing the current advice letter, it notified by direct mail all of the approximately 13,000 current subscribers to DAL service advising them of the proposed changes, and advising them of their options, including their right to protest the advice letter.

Timely protests were received from Mr. David Crane, Mr. Loren Amelang, Heublein, Inc., and the San Diego Police Officers Association Inc. (SDPOA).

Mr. Amelang's protest contends that withdrawal of DAL service will bring about a lower quality of service than that now received by DAL customers, and states that if DAL service is withdrawn, then equivalent, published, verifiable line quality standards should be required on all phone lines served by Pacific.

Pacific's response to Mr. Amelang's protest states "We can assure the customer of our commitment to continue the same transmission quality of service--up to 4800 bps as stipulated in Cal.P.U.C. No. A5.2.1.A.2.g.--at no extra charge." Pacific further states that present DAL customers should not experience any detrimental effects from removal of the DAL tariff offering, and that present customers' facilities, having already been conditioned to a higher level of transmission quality, will remain conditioned to this higher level unless the facilities themselves are modified.

Mr. Crane's protest states that before subscribing to DAL service he was frequently only able to transmit data at the rate of 300 baud, but that since subscribing to DAL service, he has been able to communicate at 9600 baud without trouble. Mr. Crane further states that if DAL service is discontinued, and if either the conditioning equipment at Pacific's wire center is removed, or if his phone service is moved to another cable pair (as he states is often done by field repair technicians), he will lose the ability to transmit data over his phone line at a reasonable speed. Similarly, Heublein's protest states that it uses DAL service to transmit data at speeds ranging from 4800 to 19,200 bps, and that transmission at speeds greater than 300 bps was not possible prior to subscribing to DAL service.

Pacific's response to both Mr. Crane's and Heublein's protests states that DAL service was never designed to handle speeds higher than 4800 bps, that the tariff reflects this fact, and that this advice letter proposes to modify the tariff to state that Pacific will hereafter support analog data transmission at up to 4800 bps on all basic access lines. Pacific states

further that it has and continues to suggest other tariffed services such as private line services or Public Packet Switching services for users desiring higher speed data transmission.

SDPOA's protest states that its phone bill would increase substantially because of charges for measured minutes at \$.04 each if DAL service is discontinued.

Pacific's response to SDPOA's protest states that the reverse is true since DAL service has only been offered as a measured rate service from the outset, and thus the only rate to be changed by this advice letter is the lowering of the monthly rate.

DISCUSSION

This advice letter requests authority to withdraw DAL service as a separately tariffed service within a two year period, and to support analog transmission of data up to 4800 bps over regular access lines. Subscribers to DAL service will be allowed to keep their present service for a period of two years, and will have the option of converting, at no charge, their present DAL service to individual line business or residence service. No new connections or reconnections of DAL service will be allowed during the two year period. However, in response to suggestions from the Commission Advisory and Compliance Division (CACD), Pacific has agreed to put into its tariff clauses stating that Pacific will support analog transmission of data at speeds up to 4800 bps over either measured rate or flat rate (residence customers) regular telephone lines. Thus, there will be no apparent reason for customers to continue subscribing to DAL service at its higher monthly rate.

Regular voice-grade access lines vary widely in their ability to carry data; they vary from one line to the next (especially as a function of the length of the access line), and from one day to the next on the same line. For these reasons, some phone customers who send data via modem over analog phone lines have found that their lines handle data transmissions at 4800 bps, 9600 bps, or even higher speeds without subscribing to Pacific's DAL service. Other customers have found that their regular phone lines cannot carry data at even the 4800 bps speed, and have been required to subscribe to DAL service since it was introduced into Pacific's tariff in 1985 in order to have special line conditioning steps undertaken that enable the same access line to carry data at faster speeds with an acceptable error rate. While such special line conditioning steps were apparently often necessary in the 1980s in order to bring a particular phone line up to standards that would allow 4800 bps data transmission, such special conditioning is needed on fewer and fewer lines as the quality of both Pacific's network and customers' data terminal equipment has improved.

It is reasonable and practically unavoidable that access lines will vary in length as well as in their ability to transport data: it would be very expensive to require Pacific to engineer and provide access lines such that they were all nearly equal in their ability to transmit data and immune from temporal changes

in this ability. It is also reasonable for Pacific to have established a tariffed charge for providing and ensuring a higher level of line quality when so doing frequently required modifications to such access lines, and then to eliminate the tariffed charge for this quality level now that such modifications are required infrequently in order to provide this higher level of line quality.

Most of the protests to this advice letter are based on the premise that customers will not continue to receive the line quality they have been receiving as DAL subscribers if they don't have to pay extra for this quality. However, Pacific has pointed out to CACD that the line conditioning previously put in place by Pacific in provisioning DAL service will not be removed as a result of the proposed tariff change. Furthermore, the tariff language to be added by this proposal stating that Pacific will support data transmission at speeds up to 4800 bps over regular telephone lines means that customers will be able to request and receive this standard of quality on as many regular access lines as they are willing to pay for.

Mr. Crane's protest uses the term "baud" instead of "bps". It is worth clarifying here that Pacific's DAL tariff clause has never offered to support 4800 baud analog data transmission (which DAL subscribers might expect to routinely handle 9600 or 19,200 bps transmission speeds using multi-bit coding schemes), but rather supports 4800 bps analog data transmission.

A portion of Mr. Amelang's protest states that if DAL service is withdrawn, then equivalent, published, verifiable line quality standards should be required on all phone lines served by Pacific. CACD gave serious consideration to this idea, but was unable to elicit from this protestant, from other interested parties, or from Pacific what such standards should be. CACD reached the conclusion that there is no widely agreed upon set of line quality standards that need to be attained in order for an access line to enable data transmission at 4800 bps with an acceptable error rate.

The protests also indicate customers' desires to transmit data over analog lines at speeds in the range of 9,600 bps to 19,200 bps; some protestants indicate a willingness to pay a higher rate for such service, others do not so indicate. The effect of the tariff changes authorized by this resolution is to raise the minimum data transmission quality standard on which subscribers to regular access lines can insist. We look to Pacific to make reasonable efforts to inform customers of existing options for utilizing data transmission rates above this new minimum, and to continue to develop and offer new products for this niche of the data transmission market.

FINDINGS

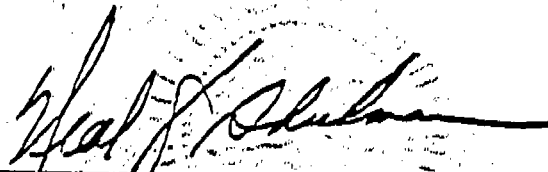
1. Pacific Bell filed Advice Letter No. 16225 on April 10, 1992 requesting authority under provisions of General Order 96-A to revise tariff Schedules Cal. P.U.C. No. A1, A2, A3 and A5 to withdraw Data Access Line service as a separately tariffed premium service, and to state that Pacific will hereafter support analog transmission of data up to 4800 bits per second over regular access lines.
2. Four parties filed timely protests to Advice Letter No. 16225.
3. Pacific's proposed tariff language guaranteeing hereafter support of analog transmission of data at up to 4800 bits per second over regular access lines adequately addresses the legitimate concerns raised by the protestants.
4. Pacific has never guaranteed to subscribers to its Data Access Line service support of transmission of data over such lines at speeds greater than 4800 bits per second.
5. Under the New Regulatory Framework Phase II decision (D.89-10-031), Pacific has considerable freedom to invest to further improve its network to enable faster analog data transmission, and to propose new product offerings to serve the low speed segment of the data transmission market.
6. The tariff language proposed by Pacific indicating that it will "support low speed transmission of analog data (up to 4800 bps) over regular access lines" does not restrict Pacific's offer to access lines of a certain maximum length, nor to particular types of modems, nor to particular data transmission protocols, nor to certain geographic subsets of Pacific's service territory.
7. Pacific should take reasonable steps to avoid inadvertently modifying access lines in ways that will "de-condition" previously conditioned Data Access Lines, or that will switch current Data Access Line customers from conditioned wire pairs to unconditioned wire pairs.
8. Pacific should promptly respond to complaints from customers who are unable to regularly transmit data over regular analog access lines at speeds of 4800 bits per second or less, determine if line quality problems are at fault, and so inform the customer.

THEREFORE, IT IS ORDERED that:

1. Pacific Bell's request in Advice Letter No. 16225 for authority to revise tariff Schedules Cal. P.U.C. No. A1, A2, A3 and A5 to withdraw Data Access Line service as a separately tariffed premium service, and to state in its tariff that Pacific will hereafter support analog transmission of data up to 4800 bits per second over regular access lines at no additional charge is approved.
2. The Advice Letter and appropriate tariff sheets authorized herein shall be marked to show that they were authorized under Resolution T-15031.
3. Pursuant to Public Utilities Code Section 786, Pacific, in its next annual issue of "What's Available; Pacific Bell Services for Residence Telephone Customers", shall include mention of the fact that subscription to a regular telephone line includes the right to a line of sufficient quality to permit analog transmission of data at up to 4800 bits per second.

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:



NEAL J. SHULMAN
Executive Director

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