

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY & COMPLIANCE DIVISION
Telecommunications BranchRESOLUTION T-15084
October 21, 1992

R E S O L U T I O N

RESOLUTION T-15084. PACIFIC BELL. REQUEST TO REPACKAGE, REPRICE, AND WITHDRAW ELEMENTS OF CALL CENTER MANAGER (CCM) SERVICE, TO GRANDFATHER THE EXISTING CCM, AND TO INTRODUCE SEVEN NEW OPTIONAL CCM FEATURES.

BY ADVICE LETTER NO. 16291, FILED JULY 29, 1992.

SUMMARY

Pacific Bell (Pacific), by Advice Letter No. 16291 requests authority under provisions of General Order No. 96-A (G.O. 96-A) to revise Schedule Cal. P.U.C. No. A9., Central Office Services, 9.1.1, Centrex, to repackage, reprice and withdraw elements of Call Center Manager into a new repackaged version, to grandfather the existing CCM and to introduce seven new optional CCM features.

This Resolution authorizes Pacific to revise Tariff Schedule No. A9.1.1 as requested. Pacific estimates the annual revenue effect of this filing for 1992 to be an increase of \$108,000.

BACKGROUND

Call Center Manager is a Centrex based optional feature that provides automatic call distribution capabilities to Pacific's customers. CCM serves a large number of incoming calls that were formally answered by a cluster of individuals serving as an automatic call distribution group. Incoming calls are answered on a first-in basis and distributed among members of the group on a most-idle basis. When all agents are busy, the calls are held for the next available agent.

Pacific's proposal to restructure and reprice CCM service is the result of numerous customer requests. Some customers stated that CCM does not offer needed features and is high priced compared to competitors' similar services. Customers also indicated that the CCM's Supervisor and Management Information System (MIS) feature package includes unneeded features which they would not buy if Pacific offered each feature separately. Pacific proposes repackaging and repricing of CCM to make the product more attractive to the customer from a customer cost, feature and flexibility standpoint.

Under the current tariff, only Pacific can provide MIS software for its CCM customers. Pacific provides the same bundled software package to large and small call center customers. As a result, customers with small call centers, who may not need all the features in the bundled MIS software package pay more than they would pay if they purchased the needed features on the open market. Large call center customers pay less for Pacific's bundled MIS software package than they would pay for a similar package on the open market.

Pacific, therefore, proposes to unbundle the existing MIS package and to withdraw the MIS host and supervisor packages from the service offering, thereby opening up the MIS system architecture. This is expected to stimulate the development of competitive MIS host and supervisor software packages. Pacific is grandfathering the existing CCM product, since it will not be available under the proposed restructuring of the CCM service.

The unbundled MIS feature package consists of three basic elements: data link, host package, and supervisor package. Pacific indicated that vendors have developed or are in the process of developing alternative MIS host and supervisor software packages to interface with Pacific's MIS data link.

Pacific made pricing comparisons (12 scenarios) between the existing (bundled MIS product) and the proposed (unbundled MIS product) offering. Most customers (10 of 12 pricing comparison scenarios) using the proposed CCM offering would see a cost saving in the first year and all customers would achieve a cost saving by year three. These customers would have a cumulative cost saving of 30% in the first year, rising to 53% the third year.

Pacific also proposes to add the following new features to the service offering:

- o Agent Priority Call Transfer
- o Agent Queue Status Display
- o Called Number Display
- o Call Tracking
- o Clerical Tracking
- o Controlled Overflow
- o Position Status Summary Display

NOTICE/PROTESTS

Pacific has mailed a copy of the Advice Letter and related tariff sheets to competing and adjacent utilities and/or other utilities, and interested parties.

Advice Letter No. 16291 was listed in the Commission's Daily Calendar of July 31, 1992. In addition, CCM customers were notified of the proposed changes in a direct mailing on August 5, 1992.

No protests to Advice Letter No. 16291 were filed.

DISCUSSION

According to Pacific, several alternatives to its MIS host and supervisor software packages are available in the market place. These packages, some which are priced lower than Pacific's package, are capable of interfacing with Pacific's MIS data link.

Many of the features packaged in the current CCM service are not needed by customers. Pacific proposes to unbundle the CCM package features and market them individually. Pacific is grandfathering the existing CCM service, giving existing customers the choice of CCM product offerings (existing or restructured) best for them.

Although unlikely, an existing customer switching over to the new tariff structure could see an increase in the monthly rate because the customer must purchase MIS software. Nevertheless, the customer will achieve a cost saving in one to three years.

In addition, Pacific proposes to add seven new agents and supervisor features to the CCM service. These new features coupled with the proposed changes, not only offer CCM customers greater flexibility in designing a call center based on their specific needs and willingness to pay, but will result in cost savings to customers over time. The proposed changes are beneficial to Pacific and its customers, while promoting competition in the Telecommunications market place. Therefore, we will authorize Pacific to revise Tariff Schedule No. A9 as requested.

FINDINGS

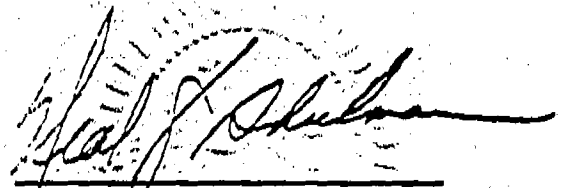
1. Unbundling Pacific's existing CCM service will allow the customer to design a Call Center Manager service based on their specific needs and willingness to pay.
2. There are less expensive alternatives to Pacific's MIS in the market place.
3. The pricing of the proposed Call Center Manager service offering will be lower than the current CCM tariff offering.
4. The rates, charges, terms and conditions authorized in this Resolution are just and reasonable.

THEREFORE, IT IS ORDERED that:

1. Authority is granted to make Advice Letter No. 16291 and the associated tariff sheets effective on October 22, 1992.
2. The Advice Letter tariff sheets authorized herein shall be marked to show that such sheets were authorized by Resolution of the Public Utilities Commission of the State of California No. T-15084.

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 October 21, 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