

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Commission Advisory and Compliance Division RESOLUTION T-15156
Telecommunications Branch December 3, 1992

R E S O L U T I O N

RESOLUTION T-15156. CAL AUTOFONE TELECOMMUNICATION COMPANY. RESOLUTION REGARDING THE ADDITION OF A BASE STATION, RESTRUCTURING OF ONE-WAY AND TWO-WAY COMMUNICATIONS AND ALPHA-NUMERIC DISPLAY RATE PLANS, AND CLARIFICATION OF TEXT IN TARIFF.

BY ADVICE LETTER No. 31, FILED ON July 31, 1992.

SUMMARY

Cal Autofone Telecommunication Company (Cal Autofone), a radio telephone utility, by Advice Letter No. 31 filed July 31, 1992, requests authority under provisions of General Order 96-A (G.O. 96-A) to (1) offer enhanced services, (2) restructure its two-way communication service by introducing a time of use rate with peak and off peak rates, (3) restructure its rate for its alpha-numeric display paging service, (4) withdraw services for which there are no subscribers, (5) add a Base Station to its paging service, and (6) add clarifying language to its existing tariffs.

This Resolution grants Cal Autofone authority to make the revised tariffs filed under Advice Letter No. 31 effective today. No protests were received.

BACKGROUND

Cal Autofone is a radio telecommunication utility providing one-way and two-way mobile radiotelephone service in Crescent City, Eureka, Garberville, Ukiah, and parts of Humboldt, Mendocino, Trinity, Lake, and Sonoma counties. Cal Autofone also provides cellular radio telecommunication service within portions of Humboldt, Del Norte, Siskiyou and Trinity counties. On July 31, 1992, Cal Autofone filed Advice Letter No. 31 requesting authorization to make effective tariff changes to its radio telecommunication service.

In Advice Letter No. 31, Cal Autofone, among other things, requests authority to implement the following terms, conditions, and limitations:

1. Cal Autofone proposes several new and enhanced services, including call forwarding, call diversion, telephone number retrieval, and operator messaging service.

2. Cal Autofone requests rate restructuring for two-way communications service by establishing time-of-use rates during peak and off-peak hours for vehicle mounted mobile radio message services. The peak hours are 7:00 a.m. to 7:00 p.m., Monday through Saturday. Off peak hours are from 7:00 p.m. to 7:00 a.m., Monday through Saturday, Sunday, and Holidays.

In its proposal, Cal Autofone offers "Basic" and "Economy" rate options. Both plans have peak and off peak-rates. The Basic rate is derived from the existing "50 Message Unit Basic" option, Schedule No. L-1. The Economy rate is derived from the "Zero Message Unit Basic" rate.

Cal Autofone also proposes to restructure rates for rural stationary mounted services. Rural customers with stationary mounted units are offered similar Basic and Economy rates as customers with vehicle mounted mobile radio message services.

3. Other changes are for tone and alpha-numeric display paging. Cal Autofone's current and proposed rates are listed below:

One-Way Paging and Signaling Service

CURRENT RATES

	<u>Service Per Month</u>	<u>Msg. Unit Allowance Per Month</u>	<u>Each Add'l Msg. Unit Over Monthly Allowance</u>
Each Tone and Alpha-Numeric Display Paging Service			
1. Up to 100 characters	\$20.00	60	\$0.15
2. Over 100 characters	\$24.00	60	\$0.15

PROPOSED RATES

	<u>Service Per Month</u>	<u>Msg. Unit Allowance Per Month</u>	<u>Each Add'l Msg. Unit Over Monthly Allowance</u>
1. Up to 150 characters	\$16.00	40	\$0.35
2. Over 150 characters	\$24.00	40	\$0.35

4. Withdrawal of Services -- (One-way paging and signaling service) -- Cal Autofone proposes to discontinue (1) the "Minimum Service" available in its existing "Selective Tone Only Paging Service" tariff at a monthly charge of \$5.00 and allowance of 5 message units and (2) the "Extra Voice Time" for its voice

messaging service currently offered at \$2.50 for 4 message units.

5. Cal Autofone proposes other minor tariff changes that do not increase or lower rates or contain more restrictive conditions.

NOTICES/PROTESTS

Advice Letter No. 31 was filed on July 31, 1992. Public notice of the filing appeared in the California Public Utilities Commission's Daily Calendar on August 7, 1992. In addition, copies of the advice letter were served on competing and adjacent utilities on the date of filing. No protests were received.

DISCUSSION

New Service Features

Cal Autofone's proposal to offer new services does not require Commission approval.

Two-Way Communications Service -- In its proposal, Cal Autofone offers "Basic" and "Economy" options that have peak and off peak rates. Cal Autofone also proposes to restructure rates for rural stationary mounted units.

In Advice Letter No. 31 Cal Autofone claimed that the net effect of the restructuring was revenue neutral saying that the time of use rates would shift usage to off-peak hours, thereby offsetting any increase due to the increase in peak rates. Commission Advisory and Compliance Division (CACD) questioned Cal Autofone's assertions and requested the company to provide estimates of the revenue impact of the proposed changes.

Two letters were submitted to CACD on September 29, 1992 and November 2, 1992 following data requests by CACD staff. Both letters were submitted in support of Advice Letter No. 31.

In its September 29, 1992 letter Cal Autofone provided estimated revenue changes, based on existing excess calls per subscriber, showing a 4.4% rate increase resulting from the proposed rate change. Although this latest calculation contradicts Cal Autofone's earlier claim that the rate change would be revenue neutral for this service, the rate impact to most customers is minimal.

One-way Paging and Signaling Service - Other changes that result in rate increases are for tone and alpha-numeric pager services requiring operator assisted messaging.

While the proposed rate change for this service lowers the monthly recurring charge in one case, the net effect of the rate changes will increase nominal rates by a significant amount for certain customers exceeding their monthly allowances because the price of each additional message unit is increased by \$0.20 cents or about 133%. However, the rate increase will apply only

to those who want want to use the company's operator service to input their messages. At the present, all Cal Autofone's customers have direct access to the utility's terminal; and therefore, have unlimited message allowances without additional charges. With this option available the operator assisted messaging rate will not necessarily increase rates for existing customers.

One-Way Paging and Signaling Service -- Cal Autofone proposes to discontinue (1) the "Minimum Service" available under its existing tariff at a monthly charge of \$5.00 and allowance of 5 message units for "Selective Tone Only Paging Service" and (2) the "Extra Voice Time" for its voice messaging service currently offered at \$2.50 for 4 message units. In both cases there are no subscribers to these services. We will authorize Cal Autofone to cancel these services.

Addition of a Base Station - Cal Autofone proposes to add a base station having a base frequency of 152.24 Megahertz at Mountain Pierce, located approximately 10 miles South of Rio Dell, California. The call letters for this base are KMD 681.

Cal Autofone's request to add a base station does not require Commission approval since the addition of the new base station uses the same frequency as the one the company currently uses to transmit and receive signals at its other locations and since the addition of the base would not extend the existing service area. Therefore, it is reasonable for Cal Autofone to add the new station.

FINDINGS

1. Cal Autofone has submitted sufficient information to CACD to support its requested rate changes filed by Advice Letter 31.
2. Currently, there are no subscribers to Cal Autofone's "minimum service" for "Selective Tone only Paging".
3. Currently, there are no subscribers to Cal Autofone's "extra voice time" service for "Selective Voice and Tone Messaging".
4. Cal Autofone's proposed rate restructuring and rate changes by Advice Letter No. 31 are reasonable and should be approved.

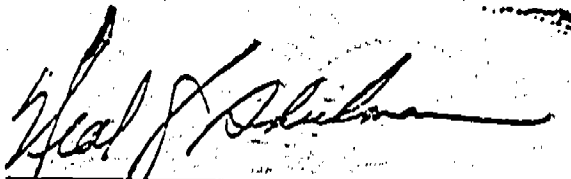
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THEREFORE, IT IS ORDERED that:

Cal Autofone's requests in Advice Letter No. 31 are granted.
The effective date of this authority is the effective date of
this Resolution.

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 December 3, 1992.
The following Commissioners approved it:



EXECUTIVE DIRECTOR
NEAL J. SHULMAN

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