

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA  
COMMISSION ADVISORY AND COMPLIANCE DIVISION RESOLUTION T-15722  
Telecommunications Branch June 21, 1995

R E S O L U T I O N

RESOLUTION T-15722. CITIZENS UTILITIES COMPANY OF CALIFORNIA. REQUEST TO PROVIDE CENTREX SERVICE FOR LYON & ASSOCIATES UNDER A CUSTOMER-SPECIFIC CONTRACT.

BY ADVICE LETTER NO. 556 FILED FEBRUARY 2, 1995

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SUMMARY

Citizens Utilities Company of California (Citizens) requests authority under provisions of General Order No. 96-A (G.O. 96-A) and Decision Nos. (D.) 88-09-059 and 94-09-065 to deviate from filed tariff schedules in order to provide Centrex service for Lyon & Associates under a customer-specific contract.

This Resolution authorizes Citizens' request. Citizens estimates that the first year revenue impact of this filing will be a decrease of \$2,613. No protest to the Advice Letter was filed.

BACKGROUND

In D.88-09-059 the Commission adopted a modified Phase I Settlement (hereinafter referred to as the Settlement). Under the provisions of the Settlement, the Local Exchange Companies (LECs) are allowed to provide Centrex service under contract. The Settlement provides that the contract becomes effective upon authorization by the Commission.

The process and requirements for filing of advice letters to request authorization of customer-specific contracts are set forth in Appendix A of D.88-09-059. Additional specifications for advice letter filings requesting authorization to provide service under contract are provided in Resolution Nos. T-13091 and T-13069.

D.90-04-031 further requires that special contracts comply with the principles of imputation, unbundling and nondiscriminatory access adopted in D.89-10-031 and that prices for monopoly utility services be based on their underlying costs. The Commission by D.94-09-065 clarified these principles.

D.94-09-065 focused primarily on two NRF (New Regulatory Framework) companies, namely Pacific and GTEC; however, some of the changes made to the contract guidelines and G.O. 96-A are applicable to all LECs. The proposed contract complies with the modified contract guidelines.

Citizens filed Supplement A to the Advice Letter on June 5, 1995 to incorporate minor changes to the contract.

Centrex is a central office based communications system equipped with primary station lines capable of receiving direct in-dialed calls and capable of direct out-dialing of calls with optional features.

Under the terms of the three year contract, Citizens agrees to provide Centrex service for 47 lines and features at cutover at a monthly rate of \$764. Recurring and nonrecurring charges for additions in excess of the lines and features at cutover are per contract.

Citizens estimates the first year revenue impact of this filing will be a decrease of \$2,613.

#### NOTICE/PROTESTS

Citizens states that copies of the Advice Letter were mailed to competing and adjacent utilities and/or other utilities and to the customer named in the contract. The Advice Letter was listed in the Commission's Daily Calendar of February 8, 1995.

No protest to Advice Letter No. 556 was filed.

#### DISCUSSION

In reviewing the Advice Letter, we note the following:

a. The rates and charges set forth in this contract cover the direct embedded costs of providing the Centrex service offered under the terms of this contract.

We conclude that the Advice Letter meets the requirements set forth in the Commission Orders and G.O. 96-A and should be approved. However, we must emphasize that our approval is based on the specifics of the Advice Letter and the contract and does not establish a precedent for the contents of future filings or for Commission approval of similar requests.

FINDINGS

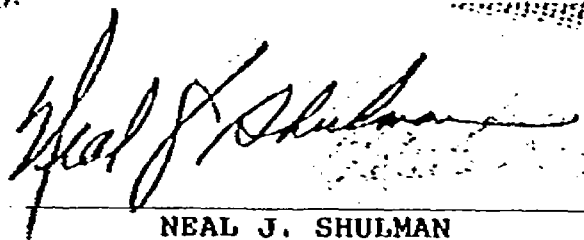
1. Citizens filed Advice Letter No. 556 requesting Commission authorization to provide Centrex service for Lyon & Associates under a customer-specific contract.
2. The Advice Letter and the contract conform to the requirements of Decision Nos. 88-09-059 and 94-09-065, Resolution Nos. T-13069 and T-13091, and G.O. 96-A.
3. Citizens states that authorization of the contract will be an estimated annual revenue decrease of \$2,613.
4. Commission authorization of this Advice Letter and contract does not establish a precedent for the contents of future filings or for Commission approval of similar requests. Commission approval is based on the specifics of the contract.
5. The rates, charges, terms and conditions of the Centrex contract approved in this Resolution are just and reasonable.

**THEREFORE, IT IS ORDERED that:**

1. Authority is granted to make Citizens Utilities Company of California Advice Letter No. 556, Supplement A and the contract effective on June 22, 1995.
2. The Advice Letter and contract shall be marked to show that they were authorized by Resolution T-15722.

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 June 21, 1995. The following Commissioners approved it:



NEAL J. SHULMAN  
Executive Director

DANIEL Wm. FESSLER  
PRESIDENT

P.GREGORY CONLON  
JESSIE J. KNIGHT, JR.  
HENRY M. DUQUE  
COMMISSIONERS