

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION RESOLUTION T-15805
Telecommunications Branch December 6, 1995

R E S O L U T I O N

RESOLUTION T-15805. PACIFIC BELL. REQUEST TO WAIVE
THE INSTALLATION CHARGE FOR BUSINESS ISDN.

BY ADVICE LETTER NO. 17733 FILED SEPTEMBER 25, 1995.

SUMMARY

Pacific Bell (Pacific) requests authority under provisions of General Order No. 96-A (G.O. 96-A) to revise Tariff Schedule Cal. P.U.C. No. A5. Exchange Services, 5.4.1 Switched Digital Services to waive the installation charges associated with business ISDN (Integrated Service Digital Network) until August 2, 1996 at which time the provisional ISDN service is scheduled to expire.

This Resolution authorizes Pacific's request. Pacific estimates an annual revenue increase of \$494,000 with this filing.

BACKGROUND

The Commission by Resolution T-15547 dated July 20, 1994 approved Pacific's request to waive the nonrecurring installation charge for Home ISDN. Pacific now requests that the Commission authorize it to waive the installation charge for the ISDN-BRI Basic Service. The proposed waiver of the installation charge for the business customer mirrors the existing installation charge waiver for Pacific's residential Home ISDN customers.

Under the proposed waiver, the customer is required to retain the service for a two year minimum period. If the customer disconnects during the 24 month period following the date of installation, the customer will be charged a prorata portion of the nonrecurring charge waived at the time of installation.

ISDN has been growing at a rate of 7% per month and much of this growth can be attributed to Pacific's waiver of its installation charges for a 24 month in-service life of the line. Pacific's believes that the proposed waiver of its business ISDN installation charge will stimulate growth of its business ISDN service.

Pacific estimates an annual revenue increase of \$494,000 with this filing.

NOTICE/PROTESTS

Pacific states that a copy of Advice Letter No. 17733 was mailed to competing and adjacent utilities and/or other utilities and interested parties. The Advice Letter was listed in the Commission's Daily Calendar of September 29, 1995.

No protest to the Advice Letter was filed.

DISCUSSION

The proposed nonrecurring installation charge waiver is to promote the use of business ISDN by reducing potential economic barriers to the service. Pacific has provided cost support which demonstrates that it will recover the waived installation charge through existing recurring charges which will be paid by the customer for business ISDN over the two year minimum period. If the customer disconnects during the two year minimum retention period, Pacific will recover the waived installation charge through a prorata termination charge.

CACD concludes that Advice letter No. 17733 meets the requirements set forth in G.O. 96-A and recommends that the Commission approve this waiver of the installation charge for business ISDN. CACD also notes that Commission approval is based on the specifics of this Advice Letter and does not establish a precedent for the contents of future filings or for the Commission approval of similar requests.

FINDINGS

1. Pacific filed Advice Letter No. 17733 requesting authority to waive the installation charge for Business ISDN.
2. Pacific estimates an annual revenue increase of \$494,000 with this filing.
3. The waiver of the installation charge for business ISDN will be recovered through the recurring charges associated with the service or a prorata termination charge if the customer disconnects during the two year minimum period.

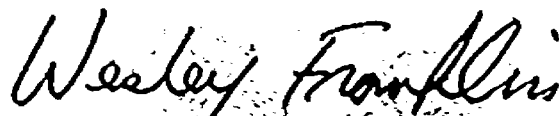
December 6, 1995.

THEREFORE, IT IS ORDERED that:

1. Authority is granted to make Pacific Bell's Advice Letter No. 17733 and the corresponding tariff sheets effective on December 7, 1995.
2. The Advice Letter and tariff sheets shall be marked to show that they were authorized by Resolution T-15805.

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 December 6, 1995. The following Commissioners approved it:



WESLEY M. FRANKLIN
Executive Director

DANIEL Wm. FESSLER
President
P. GREGORY CONLON
JESSIE J. KNIGHT, Jr.
HENRY M. DUQUE
JOSIAH L. NEEPER
Commissioners