

PUBLIC UTILITIES COMMISSION STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION RESOLUTION T-15819
Telecommunications Branch December 6, 1995

R E S O L U T I O N

RESOLUTION T-15819. PACIFIC BELL (U-1001-C). REQUEST TO MAKE PERMANENT THE PROVISIONAL PROMOTIONAL PRICING TARIFF, TARIFF SCHEDULE CAL. P.U.C. NO. A5.12.1., EXCHANGE SERVICES.

BY ADVICE LETTER NO. 17764, FILED ON OCTOBER 4, 1995.

SUMMARY

This Resolution approves Pacific Bell's (Pacific) request in Advice Letter (AL) No. 17764 for permanent promotional pricing authority.

BACKGROUND

Resolution T-14174 granted Pacific provisional authority to file advice letters with the California Public Utilities Commission (Commission) to specify optional services that will be offered during a promotion with waived or discounted tariffed nonrecurring charges. The services promoted under authority granted by this resolution resulted from new or upgraded utility serving facilities or statewide offerings of new or existing optional services. Resolution T-14174 specified that any promotion filed must be offered to all classes of customers to whom the promoted service is available. Promotions granted under this provisional authority were not to exceed 120 days. Authorization for promotional pricing was granted for two years after the effective date of Resolution T-14174, October 12, 1990, unless canceled, changed or extended by the Commission.

Resolution T-15136, effective on October 6, 1992, extended Pacific's provisional authority for its Promotional Pricing tariff until April 6, 1993, or until further order by this Commission. This extension was granted under the same conditions granted in Resolution T-14174.

Resolution T-15164 denied Pacific's request in AL No. 16987 for permanent authority for promotional pricing. This Resolution also denied Pacific's request for expansion of promotional pricing authority to intralATA toll service and private line service as well as eased the filing requirements for promotional

offerings. Resolution T-15164 extended the authority granted in T-14174 as revised by Resolution T-15164 until March 24, 1994.

Resolution T-15518 extended Pacific's promotional pricing authority as authorized in Resolution T-15164 until March 25, 1995 or until further order of this Commission.

Resolution T-15613 denied Pacific's request for permanent promotional pricing authority. This Resolution revised Pacific's promotional pricing authority to conform with policies adopted in the Implementation Rate Design (IRD) Decision, D.94-09-065; and extended Pacific's provisional promotional pricing authority as revised until December 31, 1995.

On October 4, 1995, Pacific filed AL No. 17764 requesting permanent authority for its Promotional Pricing tariff.

PROTESTS

Notice of this advice letter appeared in the Commission's Daily Calendar of October 23, 1995. The Commission Advisory and Compliance Division (CACD) has received no protests to AL No. 17764.

DISCUSSION

Pacific states in AL No. 17764 that the Commission denied Pacific previous request for permanent authority in Resolution T-15613. That Resolution stated that "...The Commission needs time and data to evaluate the effects that the additional promotional authority sought by Pacific have in terms of consumer benefits, compliance with competitive safeguards, results of the promotions, and impacts on the newly competitive intraLATA toll market, as well as in other competitive markets where Pacific participates." Pacific claims that it has complied with safeguards contained in Resolution T-15613 as well as those in the IRD Decision that pertain to competitive safeguards.

CACD has reviewed each of Pacific's promotional pricing requests. Each request contains the total length in days of each promotion, revenue foregone by each promotion, number of customers expected to be gained by each promotion, potential future revenue streams by such customers, and the expected payback period of each promotion. CACD believes that Pacific has complied with the safeguards in Resolution T-15613.

CACD has also reviewed the previous Commission resolutions on Pacific promotional pricing authority. CACD notes that the Commission has denied permanent authority because Pacific has previously sought modification to its promotional pricing authority at the time it was seeking permanent authority. Advice Letter No. 17764 seeks only to make permanent the promotional pricing authority granted through prior Commission

resolution. CACD believes that the granting of permanent authority for Pacific's Promotional Pricing tariff is reasonable and should be granted.

FINDINGS

1. Pacific's Advice Letter No. 17764 requests permanent promotional pricing authority for the provisional authority granted by Resolution T-14174 and extended by Resolutions T-15136, T-15164, T-15518, and revised and extended by Resolution T-15613.
2. CACD believes that Pacific has complied with safeguards contained in Resolution T-15613 as well as those in the IRD Decision that pertain to competitive safeguards.
3. Advice Letter No. 17764 seeks only to make permanent the promotional pricing authority granted through a prior Commission resolution.
4. The granting of permanent authority for Pacific's Promotional Pricing tariff is reasonable and should be granted.

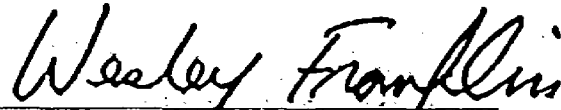
THEREFORE, IT IS ORDERED that:

1. Pacific Bell's request to make permanent its Promotional Pricing Authority is approved.
2. Advice Letter No. 17764 and its associated tariff sheets shall be marked to show that they were authorized by Commission Resolution T-15819.

December 6, 1995

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 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