

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION
Telecommunications Branch

RESOLUTION T-15844
February 23, 1996

R E S O L U T I O N

RESOLUTION T-15844. GTE CALIFORNIA INCORPORATED.
REQUEST TO PROVIDE CENTRANET SERVICE FOR A CUSTOMER
(IDENTITY CONFIDENTIAL) UNDER A CUSTOMER-SPECIFIC
CONTRACT AND TO AMEND CURRENT TOLL CONTRACT WITH THE
SAME CUSTOMER.

BY ADVICE LETTER 7853 FILED SEPTEMBER 27, 1995

SUMMARY

GTE California Incorporated (GTEC) 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 CentraNet service for a customer (identity confidential) under a customer-specific contract, and to amend the existing toll contract with the same customer. By Resolution T-15740 dated May 10, 1995, the Commission approved GTEC's Advice Letter (AL) No. 5806 establishing a Message Toll Service (MTS) contract with this customer. GTEC has demonstrated that the prices under these contracts are above the statewide average price floors for CentraNet service and for MTS.

This Resolution authorizes GTEC's request. GTEC estimates the annual revenue impact of this filing to be a decrease of \$215,111. No protest to this AL was filed.

BACKGROUND

In D.88-09-059 the Commission adopted a modified Phase I Settlement. Under the provisions of the Settlement, the Local Exchange Companies (LECs) are allowed to provide CentraNet service under the terms of contracts between LECs and customers. The Settlement provides that such contracts become effective upon authorization by the Commission.

The process and requirements for filing of ALs to request authorization of customer-specific contracts are set forth in Appendix A of D.88-09-059. Additional specifications for AL 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 and adopted other changes to the contracting requirements. The proposed contracts comply with the contracting requirements.

CentraNet 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. MTS is a long distance switched telephone service for direct-dialed or operator-assisted out-dialing of calls.

Under the terms of the proposed CentraNet contract, GTEC agrees to provide CentraNet service at the monthly rates listed below. Recurring and nonrecurring charges for lines or features in excess of those at cutover are per contract.

<u>SERVICE</u>	<u>LINES AT CUTOVER</u>	<u>MONTHLY RATE</u>	<u>TERM (YRS)</u>
CentraNet Access Lines	1,203	\$16.00*	3
Feature Pak 1000	1,143	2.50	3
Feature Pak 2000	36	3.85	3
Feature Pak 3000	24	4.50	3

* including EUCL charge

The MTS contract with this customer (identity confidential) was originally authorized in Resolution T-15740 effective May 10, 1995. In that resolution, the Commission authorized GTEC to provide MTS to the customer for a term of 30 months at the rate of \$0.06 per minute. The contract required 275,000 minutes of use per contract month. The current amendment to the MTS contract reduces the minimum minutes of use per contract month from 275,000 minutes to 175,000 minutes, and leaves the rate and all other provisions of the MTS contract unchanged.

NOTICE/PROTESTS

GTEC states that copies of the AL were mailed to competing and adjacent utilities and/or other utilities and to the customer named in the contracts. The AL was listed in the Commission's Daily Calendar of September 29, 1995.

No protest to AL No. 7853 was filed.

DISCUSSION

In reviewing AL No. 7853, the Commission Advisory and Compliance Division (CACD) notes the following:

- a. The customer requests that its identity be kept confidential and not be publicly disclosed. In D.94-09-065 the Commission permits utilities, at the customer's request, to file contracts

with the customer's name omitted, in order to honor the customer's request for privacy.

b. GTEC requests in the AL that the workpapers and supporting cost documentation associated with the contracts be treated as confidential.

c. The rates and charges set forth in these contracts are above the statewide average price floors of providing the CentraNet service and the MTS service offered under the terms of the contracts.

d. The AL indicates that the costs and revenues associated with each contract will be tracked.

CACD concludes that the AL meets the requirements set forth in the previously mentioned Commission Orders and G.O. 96-A, and recommends that the Commission approve the filing. Commission approval is based on the specifics of the AL and contracts, and does not establish a precedent for the contents of future filings or for the Commission approval of similar requests.

FINDINGS

1. GTEC filed AL No. 7853 requesting Commission authorization to provide CentraNet service for a customer (identity confidential) under a customer-specific contract, and to amend its existing MTS contract with the same customer to change the required minimum minutes.
2. The AL and the contracts conform to the requirements of Decision Nos. 88-09-059 and 94-09-065, and of G.O. 96-A.
3. GTEC states that authorization of these contracts will result in an estimated annual revenue decrease of \$215,111.
4. Commission authorization of this AL and these contracts 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 contracts.
5. The rates, charges, terms and conditions of the contractual services approved in this Resolution are just and reasonable.

February 23, 1996


THHEREFORE, IT IS ORDERED that:

1. Authority is granted to make GTE California Incorporated's Advice Letter No. 7853 and the associated contract and contract amendment effective on February 24, 1996.

2. The Advice Letter, contract, and contract amendment shall be marked to show that they were authorized by Resolution T-15844.

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 February 23, 1996. 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