PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION RESOLUTION T-15960 September 4, 1996

RESOLUTION

RESOLUTION T-15960. PACIFIC BELL (PACIFIC). (U-1001-C). REQUEST TO EXTEND THE DEADLINE FOR APPLICATION TO PACIFIC'S EDUCATION FIRST PROGRAM FROM DECEMBER 31, 1996 UNTIL DECEMBER 31, 1997 AND TO OFFER PARTICIPANTS IN RURAL AREAS WHERE PROVISIONING ISDN IS NOT COST EFFECTIVE AN ALTERNATIVE COMPUTER CONNECTION.

BY ADVICE LETTER NO. 18347, FILED ON JULY 8, 1996.

SUMMARY

In resolutions T-15588, modified by Decision (D.) 94-11-077, and T-15703 the Commission authorized Pacific Bell (Pacific) to offer schools and libraries and private schools, respectively, its proposed Education First program. Usage rates and charges are waived for one year for specified services to provide participants baseline proficiency to access information and engage in interactive distance learning. The offer was authorized to extend until December 31, 1996. Pacific is now requesting an additional year, until December 31, 1997, for applicants to take advantage of this offer. This extension does not lengthen the one year period during which participants will enjoy waived usage rates and charges.

Additionally, Pacific requests Commission authorization to provide an alternative service in the limited number of rural situations where the costs of provisioning ISDN prevents extending the Education First services to an otherwise qualified program participant. Pacific requests authority to offer the institution an alternative computer connection consisting of five measured business lines for use with customer-provided, high speed modems solely for distance learning applications. All terms and conditions adopted in the previous two resolutions and in D. 94-11-077 shall continue to apply to the Education First Program in this requested extension.

BACKGROUND

By Advice Letter No. 18347, filed July 8, 1996, Pacific filed to revise Schedule Cal. P.U.C. Nos. A3. Dual Element Charges, A5. Exchange Services, and A9. Central Office Services to request authority to extend the deadline for application to Pacific's Education First Program from December 31, 1996 until December 31, 1997.

Estimated waived revenues plus incurred expenses for Pacific's Education First Program have been revised from earlier estimates and are now not expected to exceed \$81,299,584, roughly \$19 million less than the originally estimated \$100 million. The extension until December 31, 1997 of this waiver will apply to the following services:

-Basic Centrex lines with ISDN

-Centrex IS (optional Centrex feature)
-Individual Line Measured Rate Business Service w/ISDN

-Usage charges associated with local, Zone 1 and 2 and IntraLATA toll (local Plus)

-Inside Wire: Installation, maintenance and intrabuilding network cable services, if required

-Switched Digital Service Integrated Systems (SDS-ISDN)

-Coax cable: Installation and maintenance

The following special conditions apply to this program:

- Customers will be provided up to 4 Centrex IS or SDS-ISDN lines.
- Customers will be provided Inside Wiring or Coax cable for up to two locations at each site.
- ISDN will be limited to two applications: data and video.
- The one year waiver shall begin on installation date of selected service and will conclude 12 months from that date.
- Customers will be provided one additional Centrex IS or SDS-ISDN line and associated access line and Inside Wire required to effect connection between individual customer and mutually agreed upon hub location.
- Eligible participants must request to be included in the program no later than December 31, 1997.

To ensure that the Education First Program is available in rural areas where ISDN-BRI is unavailable Pacific will offer an alternative distance learning connection consisting of:

Five (5) Individual Line Measured Rate Business lines for customer provided modems.

- 2. Inside wire: Installation Maintenance and Intrabuilding Network Cable Services, if required.
- 3. Usage charges associated with local, Zone 1, 2 and 3 and IntraLATA toll (Local Plus).

NOTICE/PROTESTS

Notice of Advice Letter No. 18347 was published in the Commission Daily Calendar of July 10, 1996. No protests or comments have been filed in conjunction with this Advice Letter.

DISCUSSION

There is no reason why this program should not be extended another year to allow eligible applicants who have not been able to participate until now the opportunity to take advantage of this program. Additionally, Pacific should be authorized to provide participants, in the limited rural areas where ISDN cannot be cost effectively provided, an alternative computer connection.

FINDINGS

- 1. Pacific filed Advice Letter No. 18347 requesting a Commission resolution to authorize a one year extension, until December 31, 1997, for application to Pacific's Education First Program.
- 2. Pacific also requests in Advice Letter No. 18347 authority to offer applicants, where costs of providing ISDN prevents extending the Education First Program, an alternative computer connection.
- 3. All terms and conditions adopted in T-15588, modified by D. 94-11-077 and T-15703 as modified by this resolution should continue to apply to the Education First Program.

THEREFORE, IT IS ORDERED that:

- 1. Pacific Bell (Pacific) is authorized to extend the date for application to its Education First Program from December 31, 1996 until December 31, 1997.
- 2. Pacific is authorized to offer eligible applicants, where costs of providing ISDN prevents extending the Education First Program, an alternative computer connection.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on September 4, 1996.

The following Commissioners approved it:

WESLEY M. FRANKLIN Executive Director

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

President P. Gregory Conlon, being necessarily absent, did not participate.