

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Telecommunications Division
Carrier Branch

RESOLUTION T-16063
August 1, 1997

R E S O L U T I O N

RESOLUTION T-16063. PACIFIC BELL (U-1001-C). REQUEST TO CHANGE ITS TELEGRAPH GRADE SERVICE FROM A LIMITED OFFERING SERVICE TO A FROZEN/GRANDFATHERED SERVICE.

BY ADVICE LETTER NO. 18405 FILED ON AUGUST 7, 1996

SUMMARY

This Resolution authorizes Pacific Bell (Pacific) to change its Telegraph Grade Service (TGS) from a Limited Offering Service to a Frozen/Grandfathered Service. TGS is an obsolete technology with a declining number of circuits in place. The change from a Limited Offering Service to a Frozen/Grandfathered Service is a minor one and only affects existing customers. These customers have been advised and there have been no protests.

BACKGROUND

Telegraph Grade Service (TGS) is one of two Limited Offering Services, the other being Metallic Service (MS). TGS provides a channel for the transmission of binary signals at rates from 0 to 75 baud or 0 to 150 baud. MS uses a channel for even lower rate signals from 0 to 30 baud. No new circuits can be installed for these services, although service is supplied to existing customers. A Limited Offering Service is one in which Pacific continues to furnish service to existing Special Access customers, but is not obligated to provide new backbone circuits; however, customers can still add or delete legs to existing circuits. A change from Limited Offering Service to a Frozen/Grandfathered Service means that any changes in the backbone circuit connections will result in complete disconnection of the service. As TGS is an obsolete technology with a declining number of users, this advice letter offers those

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customers who are making changes the opportunity to upgrade their service with minimal costs. (Pacific will waive non-recurring charges for alternate services for a period of 90 days following the effective date of this Advice Letter). The handling of obsolete technologies as Limited Offering Services is authorized in D.94-09-065, p.181-182 (56 CPUC 2nd). In that decision, we noted:

"Pacific has identified three services which it asserts are obsolete and offer functionality that is available from other dedicated access services or other substitutes. These are metallic, telegraph and DDS (digital data service). With the exception of DDS, Pacific proposes to grandfather existing services within these categories, that is, to continue serving existing accounts at a weighted average of current rates and to limit enhancements of existing lines."

"Pacific proposes to continue serving existing telegraph and metallic (analog) dedicated access lines at consolidated rates, which are a weighted average of existing rates, so long as the customers make no physical changes to the backbone circuits. Pacific would provide no new backbone circuits, but customers could continue to add legs to these circuits. DRA generally concurs with grandfathering the service and extension in this manner, but disagrees with continuing the use of existing rates. DRA recommends that the rates and charges for metallic and other analog private line services should be raised immediately to DEC (direct embedded costs), not frozen at current levels."

"CAA objects that Pacific's prohibition against extensions of backbone circuits will prevent users from adding or changing their service locations. Pacific responds that customers now employ alternatives to metallic private lines, and that a new location can be served with metallic private line so long as the alarm company already has a backbone to the central office which serves its new alarm customer."

"It is reasonable to limit deployment of this service as Pacific has proposed. Pacific is authorized to limit the provision of these identified services as described above, and to stop providing any new backbones." (This identifies these services as Limited Offering Services, rather than Frozen/Grandfathered Services).

NOTICE/PROTESTS

Pacific states that copies of Advice Letter No. 18405 and related tariff sheets were mailed to competing and adjacent utilities and/or other utilities, and to interested parties. Customers were notified of the proposed status change. Notice of Advice Letter No. 18405 was published in the Commission Daily Calendar of August 12, 1996. No protests to this Advice Letter have been received.

DISCUSSION

Inasmuch as TGS is an obsolete service and is in decline, and furthermore it is currently a Limited Offering Service available only to existing customers, we conclude that it is reasonable to permit Pacific to freeze/grandfather TGS at this time. It is also appropriate for Pacific to waive non-recurring charges for 90 days for TGS customers who upgrade to alternate services.

FINDINGS

1. Telegraph Grade Service is an obsolete technology.
2. It is reasonable to change the status of TGS from a Limited Offering Service to a Frozen/Grandfathered Service.
3. It is appropriate for Pacific to waive non-recurring charges for a period of 90 days following the effective date of this Advice letter for TGS customers who convert to alternate services.

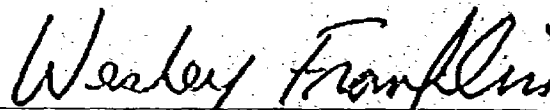
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THEREFORE, IT IS ORDERED that:

Advice Letter No. 18405 of Pacific Bell is made effective immediately; it and the accompanying tariff sheets should be marked to indicate that they were authorized by California Public Utilities Commission Resolution No. 16063 and its effective date.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on August 1, 1997. The following Commissioners approved it:



WESLEY M. FRANKLIN
Executive Director

P. GREGORY CONLON
President
JESSIE J. KNIGHT, Jr.
HENRY M. DUQUE
JOSIAH L. NEEPER
RICHARD A. BILAS
Commissioners