

CITY COUNCIL MEETING

May 20, 1981

By 400

CC-700

PUC
APPLICATION

City Clerk Reimche presented a Notice re Pacific Telephone Offset Rate Increase Application and Hearings stating that Pacific Telephone has requested authorization from the California Public Utilities Commission to increase its rates by \$252 million per year.

Alisa
Comm

NOTICE OF PACIFIC TELEPHONE OFFSET
RATE INCREASE APPLICATION AND HEARINGS

Pacific Telephone has requested authorization from the California Public Utilities Commission (CPUC) to increase its rates by \$252 million per year reflecting and passing through to customers the additional increased costs resulting from the Federal Communications Commission (FCC) decision in Docket No. 79-105 in which the FCC ordered changes for telephone utilities which require that certain station connection costs be treated as an expense item rather than as a capital expenditure. Pacific has also requested that the application be consolidated for hearing with a related investigation ordered by the CPUC known as O.I.I. No. 84, which deals with the same basic subject matter

The Commission has scheduled hearings in O.I.I. No. 84 for Monday, May 18, 1981 at 10:00 a.m. and May 19-22 at 9:30 a.m.; and Monday, July 13, 1981 at 10:00 a.m. and July 14-17 at 9:30 a.m. in the Commission Courtroom, State Building, 107 S. Broadway, Los Angeles, California.

Shown below are the estimated increases in rates for various classes of service as proposed by Pacific:

Increases In Present Rates Proposed By Pacific Telephone

	<u>Dollar Increase Over Present Rates</u>	<u>% Increase Over Present Rates</u>
<u>MULTI-ELEMENT CHARGES</u>		
Business Installation Charges:		
Premises Wiring	\$8	100%
Station Handling	2	25%
Residence Installation Charges:		
Central Office Connection	\$1	11%
Station Handling	\$4	50%
 <u>COMPLEX SERVICE CONNECTION CHARGES</u>		
Lines and Trunks	\$8	13%
Stations	\$8	22%
 <u>BASIC RATES</u>		
Residence - Flat Rate	\$1	17%
Business		
Measured Line	\$2	29%
Flat Line	\$2	14%
Measured Trunk	\$2	57%
Flat Trunk	\$3	14%
Semipublic Service	\$2	29%

Note: There will be coincidental changes in other line and trunk rates such as foreign exchange based upon present rate relationships.

SURCHARGE (To be applied to line and trunk rates)

Residence - 10%

Business - 15%

The CPUC may take action, after hearings are held, which could increase or decrease the total amount requested or which may result in rate changes in different classes or categories of service and/or increases of a greater or lesser amount for the categories shown above. A copy of the rate increase application may be examined at Pacific's principal public offices or at the CPUC offices set out below. Company representatives are also available in San Francisco (415-542-1762) or Los Angeles (213-488-6707) to answer questions.

Further information may be obtained from the CPUC offices at:

350 McAllister Street
San Francisco, CA 94102

107 South Broadway
Los Angeles, CA 90012

A copy of the application and exhibits will be furnished upon written request which should be addressed to:

J. E . Dennis
Assistant Vice President
The Pacific Telephone and
Telegraph Company
140 New Montgomery Street
San Francisco, CA 94105