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CITY COUNCIL MEETING

NOVEMBER 17, 1982

City Clerk Reimche presented a Notice that had been received advising of the Pacific Telephone and Telegraph Company's application to increase revenue to offset increases in depreciation expenses.

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RECEIVED
NOTICE OF THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY'S

APPLICATION TO INCREASE REVENUE TO OFFSET

INCREASE IN DEPRECIATION EXPENSE

NOV 19 11 10:55
BRADEN REIMCHE
CITY CLERK
CITY OF LODI

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Pacific Telephone has asked the California Public Utilities Commission for a revenue increase to offset increased depreciation expenses.

Certain changes in depreciation factors were determined in a meeting in July 1982 of Federal Communications Commission (FCC) staff, CPUC staff and Pacific Telephone representatives, who reviewed telephone equipment "lives" and salvage factors upon which depreciation rates are based. A review of these factors takes place every three years. At the most recent meeting several changes were agreed to which, along with other recommended changes proposed by the Company, have the net result of increasing Pacific's annual depreciation expense. The amount the Company is seeking to offset the expense is \$165.9 million.

The added revenues will not increase the previously authorized earnings level of the Company.

A copy of the Application for Rate Increase and supporting exhibits will be made available upon submission of a written request to:

The Pacific Telephone and Telegraph Company
140 New Montgomery Street
17th Floor
San Francisco, CA 94105

Attention: John E. Dennis



Pacific Telephone

November, 1982

Dear TELPAK Customer or Interested Party:

On November 1, 1982 Pacific Telephone applied to the California Public Utilities Commission for authority to restructure and increase certain rates associated with its Intrastate TELPAK Services.

Interstate TELPAK Service was discontinued on May 7, 1981. By this Application we propose to establish a universal mileage rate equitable to all remaining Intrastate subscribers. Further, we propose periodic increases to this rate and a simplified billing restructure.

A copy of the Application will be furnished upon written request directed to:

R. B. Roche
140 New Montgomery Street, Room 1718
San Francisco, California 94105

If you desire to make any inquiries or comments concerning this filing (including a request to receive notice of the date, time and place of any hearings on the Application), you may make them in writing to the Commission. The addresses for the California Public Utilities Commission are:

350 McAllister Street
San Francisco, California
94102

107 South Broadway
Los Angeles, California
90012

Sincerely,

R. S. Normington
District Staff Manager