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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**Telecommunications Division
Carrier Branch**

**RESOLUTION T-16695
February 13, 2003**

RESOLUTION

RESOLUTION T-16695. CITIZENS TELECOMMUNICATIONS COMPANY OF TUOLUMNE (CTC-TUOLUMNE) (U-1023-C). REQUEST FOR AUTHORITY TO INCORPORATE ADDITIONAL LANGUAGE FOR CREDIT ALLOWANCE FOR INTERRUPTIONS IN SERVICE INTO ITS TARIFF.

BY ADVICE LETTER NOS. 107, 107A and 107B, FILED ON SEPTEMBER 9, 2002, OCTOBER 24, 2002, AND NOVEMBER 1, 2002, RESPECTIVELY.

Summary

This Resolution authorizes Citizens Telecommunications Company of Tuolumne's (CTC-Tuolumne's) request to incorporate additional language for Credit Allowance for Interruptions in Service into its tariff.

Background

CTC-Tuolumne is a subsidiary company of Frontier, a Citizens Communications Company, (Frontier) which provides phone service in 24 states. Currently, CTC-Tuolumne has Rules and Regulations tariff on file with the Commission.

In Advice Letter (AL) No. 107, filed September 9, 2002, CTC-Tuolumne requests authority to incorporate additional more restrictive language for Credit Allowance for Interruptions in Service into its Rule No. 24, Limitation of Liability in Rules and Regulations tariff.

Telecommunications Division (TD) had reviewed the proposed additional language in CAL P.U.C. 1st Revised Sheet No. 297-T in AL No. 107, and found this tariff sheet unclear and not acceptable.

At the request of TD, CTC-Tuolumne on October 24 2002, filed AL No. 107A to modify the proposed additional language to replace CAL P.U.C. 1st Revised Sheet No. 297-T in AL No. 107. TD reviewed AL No. 107A, and found the modified language still unacceptable.

On November 1, 2002, CTC-Tuolumne filed AL No. 107B to make further modification on the proposed additional language to replace AL No. 107A in CAL P.U.C. 1st Revised Sheet No. 297-T.

The proposed additional language in CAL P.U.C. 1st Revised Sheet No. 297-T in AL No. 107B reads as follows:

"The credit will not apply to "out of service" conditions resulting from the willful neglect, misuse or abuse by the customer. The credit will not apply to "out of service" conditions where the outage is in the customer's inside wire or customer's premises equipment. This credit will not apply to "out of service" conditions resulting from natural disasters, fire, extreme weather conditions such as flooding, earthquake or circumstances beyond the control and knowledge of the utility. This credit will not apply to "out of service" conditions for all services contained in this tariff as described in Rule 24 B.8."

Notice/Protest

AL No. 107 was filed on September 9, 2002, and appeared in the Commission Daily Calendar of September 11, 2002. AL No. 107A was filed on October 24, 2002, and appeared in the Commission Daily Calendar of November 6, 2002, and AL No. 107B was filed on November 1, 2002, and appeared in the Commission Daily Calendar of November 6, 2002. CTC-Tuolumne states that copies of AL Nos. 107, 107A, and 107B have been sent to interested utilities and/or parties. Telecommunications Division (TD) has received no protest to AL Nos. 107, 107A, and 107B.

Discussion

There are several telecommunications utilities in California who have similar tariffs on file with the Commission. Their tariffs indicate that there will be no credit allowance to customers for interruptions of service caused by the customer's own facilities, equipment or system.

CTC-Tuolumne, in AL Nos. 107, 107A, and 107B, requests authority to incorporate additional more restrictive language for credit allowance for interruptions in service into its tariff.

CTC-Tuolumne states that this is a company-wide effort of Frontier to standardize its tariff language for limitation of liability. The exposure was highlighted when Frontier properties were exposed to several natural disasters recently, namely fires in Arizona and Oregon, and that some of the company's state tariffs did not adequately cover natural disaster exposure. In addition, Frontier wants to be clear that credits do not apply if an out of service condition is due to the customer's own neglect.

Moreover, CTC-Tuolumne states that the language provides protection for the utility in those situations described in the proposed language. In this age of litigation, it is important for CTC-Tuolumne to take necessary tariff language precaution.

TD has reviewed CTC-Tuolumne AL Nos. 107, 107A, and 107B. TD finds that CTC-Tuolumne's request in AL Nos. 107 and 107B for authority to incorporate additional more restrictive language for credit allowance for interruptions in service into its tariff reasonable. The proposed language, while more restrictive, clearly states that a credit allowance will not apply to service outages due to conditions beyond the utility's control.

TD recommends that the Commission approve this filing because a) limiting the liability against CTC-Tuolumne for reasons beyond its control will benefit all customers in the long run because it will deter unnecessary litigation against CTC-Tuolumne which could affect the utility's earnings, and b) several telecommunications utilities in California, including Pacific Bell and Roseville already have similar tariffs approved by this Commission.

In addition, TD recommends that the Commission require CTC-Tuolumne to notify its customers through a bill insert regarding this additional more restrictive language for credit allowance for interruptions in service. Within 20 days after the effective day of this resolution, CTC-Tuolumne should file a supplement AL to AL No. 107B to obtain the approval from both TD and the Commission's Public Advisor Office for the bill insert. No later than 40 days after CTC-Tuolumne obtains approval of its bill insert, CTC-Tuolumne should send out the approved bill insert to its customers. The additional language in CTC-Tuolumne's AL No. 107 and CAL P.U.C. 1st Revised Sheet No. 297-T in AL No. 107B shall be effective no sooner than 30 days after the last bill round containing the bill insert is sent.

Based on the above discussion, we find TD's recommendations reasonable. Commission approval is based on the specifics of this Advice Letter and does not establish a precedent for the contents of future filings.

The draft resolution of the Telecommunications Division in this matter was mailed to parties in accordance with PU Code Section 311 (g)(1). Comments received on a timely basis will be addressed by the Communications Division in this resolution.

Findings

1. CTC-Tuolumne's Rule No. 24, Limitation of Liability, is contained in its Rules and Regulations tariff which is on file with the Commission.
2. There are several telecommunications utilities in California who have similar tariffs on file with the Commission. Their tariffs indicate that there will be no credit allowance to customers for interruptions of service caused by the customer's own facilities, equipment or system.
3. In AL Nos. 107, 107A, and 107B filed September 9, 2002, October 24, 2002, and November 1, 2002, respectively, CTC-Tuolumne requests to incorporate additional more restrictive language for Credit Allowance for Interruptions in Service into its Rules and Regulations tariff.
4. The proposed additional language in CAL P.U.C. 1st Revised Sheet No. 297-T in AL No. 107B reads as follows:

"The credit will not apply to "out of service" conditions resulting from the willful neglect, misuse or abuse by the customer. The credit will not apply to "out of service" conditions where the outage is in the customer's inside wire or customer's premises equipment. This credit will not apply to "out of service" conditions resulting from natural disasters, fire, extreme weather conditions such as flooding, earthquake or circumstances beyond the control and knowledge of the utility. This credit will not apply to "out of service" conditions for all services contained in this tariff as described in Rule 24 B.8."

5. Telecommunications Division (TD) has reviewed CTC-Tuolumne AL Nos. 107, 107A and 107B. TD finds that CTC-Tuolumne's request in AL Nos. 107 and 107B for authority to incorporate additional more restrictive language for credit allowance for interruptions in service into the tariff reasonable and recommends Commission adoption of CTC-Tuolumne's request.
6. TD recommends that the Commission require Tuolumne to notify its customers through a bill insert regarding this additional more restrictive language for credit allowance for interruptions in service. Within 20 days after the effective day of this resolution, CTC-Tuolumne should file a supplement AL to AL No. 107B to obtain the approval from both TD and the Commission's Public Advisor Office for the bill insert. No later than 40 days after CTC-Tuolumne obtains approval of its bill insert, CTC-Tuolumne should send out the approved bill insert to its customers. The additional language in CTC-Tuolumne's AL 107 and CAL P.U.C. 1st Revised Sheet

No. 297-T in AL No. 107B shall be effective no sooner than 30 days after the last bill round containing the bill insert is sent.

7. We accept TD's recommendation to grant CTC-Tuolumne authority to incorporate additional language as specified in Finding No. 4 to its Credit Allowance for Interruptions in Service tariff.

THEREFORE, IT IS ORDERED that:

1. CTC-Tuolumne is granted authority to incorporate additional language as specified in Finding No. 4 to its Credit Allowance for Interruptions in Service tariff.
2. The tariff sheet in AL No. 107A shall be marked to showed that it was cancelled by California Public Commission Resolution No. T-16695 and its effective date.
3. Within 20 days after the effective day of this resolution, CTC-Tuolumne shall file a supplement to AL No. 107B to obtain the approval from TD and the Commission's Public Advisor Office for the bill insert described in Finding No. 4.
4. No later than 40 days after CTC-Tuolumne obtains approval of its bill insert, CTC-Tuolumne shall send out the approved bill insert to its customers.
5. The tariff sheets in AL Nos. 107 and 107B shall be marked to show that they were authorized by California Public Commission Resolution No. T-16695 and its effective date shall be no sooner than 30 days after the last bill round containing the notice described in Finding No. 4 is sent.
6. CTC-Tuolumne shall notify the Director of the Telecommunications Division by letter within 5 days after the last bill round is sent indicating the effective date of tariffs contained in AL Nos. 107 and 107B.

This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on February 13, 2003. The following Commissioners approved it.

WESLEY M. FRANKLIN
Executive Director