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Federal Communications Commission
1919 M Street, NW.
Washington, D.C. 20554
Public Notice



61210

January 15, 1971 - C

**AT&T FILES INTERSTATE RATE INCREASE IN REDUCED AMOUNT;
POSTPONES HIGHER INCREASE**

The American Telephone and Telegraph Company has acceded to the request of the FCC to postpone the effective date of its originally proposed increased rates for interstate message toll service pending the outcome of an expedited hearing, and has filed lesser increases scheduled to become effective January 21, 1971.

The new rates are subject to protest and to any action which the Commission may deem warranted prior to their effective date.

On November 20, 1970, the telephone company filed rates in the long distance telephone service tariff (A.T.&T. Tariff F.C.C. No. 263), to be effective January 19, 1971, which would have resulted in \$545 million of additional net earnings before taxes and a rate of return of 9.5%. On January 12, 1971, the Commission requested A.T.&T. to postpone the effective date of the proposed increases and granted permission to file revised rates which will produce additional annual net earnings before income taxes not to exceed \$250 million. In connection with this request, the Commission informed the company that it intended to conduct an expedited hearing with respect to the lawfulness of the message toll rates and to require that the revenue produced by such increases be subject to accounting and refund by the carriers.

A.T.&T. replied by letter on January 13, 1971, that it would defer the higher rates, the subject of the filing of last November, pending the outcome of the expedited hearing and stated its intent to file revised tariffs designed to produce not more than \$250 million in net earnings before income taxes. Those revisions were filed by the company on January 14, 1971, to be effective on January 21, 1971, and at the same time, the company indefinitely postponed the effective date of the originally filed higher rates.

All of the rates filed to date are subject to investigation and hearing by the FCC. The Commission will determine the reasonable revenue requirements of the telephone company and the nature of any further rate adjustments, upwards or downwards, as they may be justified.

Generally, the new revisions provide for increased rates for those calls that require operator handling, such as Operator Station-to-Station and Person-to-Person services. Operator Station-to-Station calls are increased from 5 cents to 30 cents in the initial 3-minute period, depending upon such factors as time of day and distance of the call. Person-to-Person calls will be increased from 20 cents to 30 cents in the initial period under the new schedule. Customer dialed Station-to-Station calls are generally increased 5 cents in the Day rate period, at most mileages up to 675 miles, with increases ranging from 2 to 10 cents with no increases scheduled for this class of service in the Evening, Night and Weekend rate periods, sometimes referred to as reduced rate periods. The Evening rate period is designed to produce a rate 20% less than the Day rate and at least 33-1/3% less during the Night and Weekend rate periods.

For information as to the time-of-day application of Day, Evening, Night and Weekend rates, telephone users should consult their telephone directories or the local telephone company.

The actual tariff schedules may be inspected at the offices of the Commission, 1919 M Street, N. W., Washington, D. C., Room 522. In accordance with the rules of the Commission, the schedule of charges and regulations associated with them are kept open for public inspection in the main business office of the filing carrier in every city having a population of 100,000 and also in the State capital.