

DECLASSIFIED
PROPRIETARY

**PROPRIETARY
&
CONFIDENTIAL**

Florida Regulatory Meeting - LPC / OCA

June 9, 1999

000733-TL

The COUs' Proposal:

1. Increase the tariffed Late Payment Charge (LPC) to the greater of the existing percentage (1.5%) or a minimum of \$10 for Business and a minimum of \$5.00 for Consumer
2. Change the tariff to make the cost of any collection fee associated with collecting the bill the responsibility of the customer. The tariff would be changed to allow Businesses to be charged up to 30% of the amount referred to Outside Collection Agencies (OCAs) and for Consumers to be charged a flat fee of \$25 if the account is turned over for collection.

Why should we pursue these charges?

1. In order to shift the cost to the customers who cause the expense to be incurred.
2. 78% of Consumer and 72% of Business Customers pay their bills on time each month.
3. This will become an important focus as our markets become even more competitive.

What is the incremental financial impact?

LPC	1999*	2000	Monthly
Consumer	\$3.25M	\$39M	\$13M
Business	\$1.5M	\$4.6M	\$383,000
OCA Fee			
Consumer	\$664,000	\$2M	\$166,000
Business	\$226,000	\$650,000	\$54,000
Total	\$5.64M	\$48.3M	\$13.6M

* Assumes 9/1/99 implementation

What precedents exist in Florida?

Company	LPC
Florida Power & Light	1.5% After Past Due
Adelphia Cable	\$5.00 After Past Due
City Gas	1.5% After Past Due
TCI Gas	\$5.00 Plus Local Tax

How many customers are impacted?

LPC	Monthly #	%
Consumer	900,000	22.0%
Business	145,000	27.9%
OCA Fee	Annual #	%
Consumer	271,000	6.6%
Business	20,200	3.9%

This notice of intent was filed in a docketed matter by or on behalf of a "telco" for Confidential DN 06766-01. The confidential material is in locked storage pending staff advice on handling.

DOCUMENT NUMBER-DATE

06766 MAY 30

FPSC-RECORDS/REPORTING

CONFIDENTIAL
DECLASSIFIED

1. Order No. PSC-96-0012-FOF-TL, issued on Jan. 4, 1996
(Non Basic Service Categories Order)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Investigation to) DOCKET NO. 951159-TL
determine categories of non-) ORDER NO. PSC-96-0012-FOF-TL
basic services provided by local) ISSUED: January 4, 1996
exchange telephone companies)
pursuant to Chapter 364.051(6),)
Florida Statutes.)
_____)

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION
ORDER ADOPTING PROPOSAL

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

On September 27, 1995, we opened this docket to establish categories of non-basic services as described in Section 364.051(6)(a), Florida Statutes. Section 364.051(6)(a), Florida Statutes, provides in pertinent part:

Each company subject to this subsection shall maintain tariffs with the commission containing the terms, conditions and rates for each of its non-basic services, and may set or change, on 15 days' notice, the rate for

each of its non-basic services, except that a price increase for any non-basic service category shall not exceed six percent within a twelve-month period until there is another provider providing local telecommunications service in an exchange area at which time the price for any non-basic service category may be increased in an amount not to exceed twenty percent within a twelve-month period, and the rate shall be presumptively valid.

A workshop was held on October 13, 1995, to address the following topics:

1. Identification of the categories of non-basic services and development of criteria by which non-basic services can be categorized.
2. Identification of issues to be addressed should a hearing be necessary.
3. The possibility of stipulating the issues in this proceeding.

Additional workshops were held on October 31, 1995 and November 27, 1995. On December 20, 1995, the attached proposal was filed with the Commission. The terms of the proposal are summarized below.

The parties have set forth service categories by function and have grouped similar services into these categories. They agree that the price increases for non-basic service categories should not be applicable on a company-wide basis. Further, in those exchanges where a Local Exchange Company (LEC) does not have another company providing local telecommunications services, the aggregate prices for all non-basic services in a category should not be increased more than 6% in a 12 month period. Likewise, in those exchanges where a LEC does have another provider of telecommunications services, the aggregate prices for all non-basic services in a category should not be increased more than 20% in a 12 month period.

Section 364.051 (6)(a), Florida Statutes, provides that once there is another provider providing local telecommunications service in an exchange area, the price for any non-basic service category may be increased in an amount not to exceed 20% within a 12 month period. The parties agree that this issue should be dealt with at a later time.

When filing non-basic service tariffs, the parties agree that certain information, similar to what is currently required by the LECs, should continue to be provided. This information includes a transmittal letter to the Director of Communications, an executive summary, and copies of the tariff. The filings should also include an explanation of the proposed rate increase's effect on the Company's 6/20% cap.

The parties also agree that the non-recurring charges associated with the initiation of basic local telecommunications services should not be included in a non-basic service category. They state that these charges should be associated with their corresponding basic local telecommunications service and be capped pursuant to Section 364.051(2)(a), Florida Statutes.

Finally, the parties agree that the capped non-basic services, described in Section 364.051(6)(a) 1. and 2., Florida Statutes, should not be included in the respective non-basic service categories when computing the allowable increases to non-basic service categories.

Upon consideration, we find that the attached proposal is appropriate. It establishes the categories and descriptions of non-basic services. Moreover, the descriptions will act as a guideline to ensure that future services are placed in the appropriate categories.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the attached proposal is adopted and incorporated by reference into this Order. It is further

ORDER NO. PSC-96-0012-FOF-TL
DOCKET NO. 951159-TL
PAGE 4

ORDERED that the time available for filing a protest shall be 14 days from the issuance date of this Order. It is further

ORDERED that this Order shall become final and effective and this docket shall be closed unless a person whose substantial interests are affected files a protest pursuant to the requirements set forth below.

By ORDER of the Florida Public Service Commission, this 4th day of January, 1996.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

by: /s/ Kay Flynn
Chief, Bureau of Records

This is a facsimile copy. A signed copy of the order may be obtained by calling 1-904-413-6770.

(S E A L)

ATTACHMENT PAGES 5-12 ARE NOT AVAILABLE IN ELECTRONIC MEDIUM.

MMB

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on January 18, 1996.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party substantially affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed

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within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

7TH CASE of Level 1 printed in FULL format.

In Re: Investigation to determine categories of non-basic services provided by local exchange telephone companies pursuant to Chapter 364.051(6), Florida Statutes

DOCKET NO. 951159-TL; ORDER NO. PSC-96-0012-FOF-TL

Florida Public Service Commission

1996 Fla. PUC LEXIS 15

OFFICIAL-CITE: 96 FPSC 1: 94

January 4, 1996

CORE TERMS: non-basic, telecommunications, tariff, provider, parties agree, aggregate, customer, capped, cap, month period, notice, non-recurring, miscellaneous, company-wide, residential, calculation, initiation, computing, allowable, switched, network, transmittal letter, services offered, credit card, single line, set forth, recitals, non-published, complementary, corresponding

PANEL:
[*1]

The following Commissioners participated in the disposition of this matter: SUSAN F. CLARK, Chairman, J. TERRY DEASON, JOE GARCIA, JULIA L. JOHNSON, DIANE K. KIESLING

OPINION:
NOTICE OF PROPOSED AGENCY ACTION ORDER ADOPTING PROPOSAL

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

On September 27, 1995, we opened this docket to establish categories of non-basic services as described in Section 364.051(6)(a), Florida Statutes. Section 364.051(6)(a), Florida Statutes, provides in pertinent part:

Each company subject to this subsection shall maintain tariffs with the commission containing the terms, conditions and rates for each of its non-basic services, and may set or change, on 15 days' notice, the rate for each of its non-basic services, except that a price increase for any non-basic service category shall not exceed six percent within a twelve-month period until there is another provider providing local [*2] telecommunications service in an exchange area at which time the price for any non-basic service category may be increased in an amount not to exceed twenty percent within a twelve-month period, and the rate shall be presumptively valid.

A workshop was held on October 13, 1995, to address the following topics:

1. Identification of the categories of non-basic services and development of

criteria by which non-basic services can be categorized.

2. Identification of issues to be addressed should a hearing be necessary.
3. The possibility of stipulating the issues in this proceeding.

Additional workshops were held on October 31, 1995 and November 27, 1995. On December 20, 1995, the attached proposal was filed with the Commission. The terms of the proposal are summarized below.

The parties have set forth service categories by function and have grouped similar services into these categories. They agree that the price increases for non-basic service categories should not be applicable on a company-wide basis. Further, in those exchanges where a Local Exchange Company (LEC) does not have another company providing local telecommunications services, the aggregate prices [*3] for all non-basic services in a category should not be increased more than 6% in a 12 month period. Likewise, in those exchanges where a LEC does have another provider of telecommunications services, the aggregate prices for all non-basic services in a category should not be increased more than 20% in a 12 month period.

Section 364.051(6)(a), Florida Statutes, provides that once there is another provider providing local telecommunications service in an exchange area, the price for any non-basic service category may be increased in an amount not to exceed 20% within a 12 month period. The parties agree that this issue should be dealt with at a later time.

When filing non-basic service tariffs, the parties agree that certain information, similar to what is currently required by the LECs, should continue to be provided. This information includes a transmittal letter to the Director of Communications, an executive summary, and copies of the tariff. The filings should also include an explanation of the proposed rate increase's effect on the Company's 6/20% cap.

The parties also agree that the non-recurring charges associated with the initiation of basic local telecommunications [*4] services should not be included in a non-basic service category. They state that these charges should be associated with their corresponding basic local telecommunications service and be capped pursuant to Section 364.051(2)(a), Florida Statutes.

Finally, the parties agree that the capped non-basic services, described in Section 364.051(6)(a) 1. and 2., Florida Statutes, should not be included in the respective non-basic service categories when computing the allowable increases to non-basic service categories.

Upon consideration, we find that the attached proposal is appropriate. It establishes the categories and descriptions of non-basic services. Moreover, the descriptions will act as a guideline to ensure that future services are placed in the appropriate categories.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the attached proposal is adopted and incorporated by reference into this Order. It is further

ORDERED that the time available for filing a protest shall be 14 days from the issuance date of this Order. It is further

ORDERED that this Order shall become final and effective and this docket shall be closed unless a person whose substantial [*5] interests are affected files a protest pursuant to the requirements set forth below.

By ORDER of the Florida Public Service Commission, this 4th day of January, 1996.

ATTACHMENT

STIPULATION

THIS STIPULATION is entered into between the undersigned parties to this docket.

Recitals

1. During 1995, the Florida Legislature passed Chapter 95-403, Laws of Florida, which revised Chapter 364, Florida Statutes.

2. Chapter 95-403, Laws of Florida, created Section 364.051, Florida Statutes. That section addresses price regulation for local exchange telecommunications companies.

3. Section 364.051(6), Florida Statutes, addresses price regulation of non-basic services.

4. During the last half of 1995, the parties to this docket, the Staff of the Florida Public Service Commission, and others met informally to identify issues relating to the non-basic service categories referred to in Section 364.051(6), Florida Statutes. As a result of these meetings, the parties identified seven issues.

. In addition, the parties have stipulated to language that resolves the issues identified by the parties. The purpose of this Stipulation is to memorialize the stipulation of the parties.

[*6] 6. It is the intent of the parties that the Florida Public Service Commission approve the stipulation set forth below, thereby eliminating the need for an administrative hearing on these issues.

Stipulation

The undersigned parties to this docket agree as follows:

1. The recitals set forth above are not a part of the agreement between the parties, but serve to explain the circumstances under which this Stipulation was reached.

2. This Stipulation shall become effective upon approval by the Florida Public Service Commission. If this Stipulation is not approved by the FPSC without modification, the whole Stipulation shall be void and shall have no force or effect.

3. The parties agree to the following issues and positions as set forth below:

I 1. For purposes of Section 364.051(6) (a), Florida Statutes, what are the non-basic service categories within which non-basic services should be placed?

Stipulation: See non-basic service categories list attached as Exhibit "A".

ISSUE 2. What criteria should determine in which non-basic service category a given LEC non-basic service should be included?

Stipulation: The functional service descriptions set forth in [*7] the non-basic service categories list (Exhibit "A") should determine service placement.

ISSUE 3. For purposes of Section 364.051(6)(a), Florida Statutes, what constitutes having "another provider providing local telecommunications services?"

Stipulation: The parties agree that this issue need not be decided at this time.

ISSUE 4. If a LEC does not have ALECs operating in all of its exchange areas, should the price increases that result from Section 364.051(6)(a), Florida Statutes, be applicable on a company-wide basis?

Stipulation: The price increases should not be applicable on a company-wide basis. The price increases should be distinguished in the following manner:

Exchanges without another provider

I In the aggregate, across all services in a category and all exchanges where there is not another company providing local telecommunications services, prices may not be increased more than 6% within a 12-month period.

Exchanges with another provider

In the aggregate, across all services in a category in the aggregate and all exchanges where there is another company providing local telecommunications services, prices may not be increased more [*8] than 20% within a 12-month period.

ISSUE 5. What type of information should the LEC submit to the Commission with its non-basic service tariff filings?

Stipulation: Tariff filings should continue to have a transmittal letter to the Director of Communications stating the nature of the filing and what pages it involves, an executive summary of what it is they are doing and why, and copies of the tariff. Tariffs should provide an explanation and calculation of the proposed rate increase's effect on the Company's 6/20% cap (e.g., an

explanation that service X has been increased by 5.5%, accompanied by a price/units calculation to back it up and that the category service X falls in has not exceeded its cap (6/20%) within the 12-month period). If the price/units calculations are used, it should be based on the most current month's data available at the time of the company's initial tariff for the category. Subsequent tariff filings made by the company, for a specific category, would use the same months data for the next 12 months. In addition to the general requirements, an incremental cost study should not be required; however, a study should be made available upon request by [*9] the Commission staff on 5 working days notice.

ISSUE 6. Should non-recurring charges associated with the initiation of basic local telecommunications services be placed in a separate non-basic service category? If not, in which non-basic service category, if any, should they be placed?

Stipulation: No. The non-recurring charges associated with the initiation of basic local telecommunications services should not be included in a non-basic service category. These charges should be associated with their corresponding basic local telecommunications service and be capped pursuant to Section 364.051(2)(a), Florida Statutes.

ISSUE 7. Section 364.(6)(a)1. and 2., Florida Statutes, cap the rates for certain non-basic services. Should these capped services be included in the respective non-basic service categories when computing the allowable increases to non-basic service categories?

Stipulation: No, the capped non-basic services should not be included in the respective non-basic service categories when computing the allowable increases to non-basic service categories.

4. The non-basic service categories list referred to in issues 1 and 2, and attached to this [*10] Stipulation as Exhibit A, is a part of this Stipulation as though fully set forth under issues 1 and 2. The list of examples attached to this stipulation as Exhibit "B" is included for illustrative purposes only and is not intended to alter the definitions of the categories shown in Exhibit "A."

5. This Stipulation and Agreement shall be interpreted under the laws of the State of Florida. If this Stipulation and Agreement is not approved by the Commission in its entirety without modification, the Stipulation and Agreement shall not be binding on the parties and shall have no force and effect.

6. Each of the persons signing below represents that he or she has complete actual authority to bind the party on whose behalf her or his signature is given.

EXHIBIT A

Non-Basic Service Categories Definitions

1. Business Non-Basic Exchange Access

A service or family of services (excluding basic single line flat-rate business service) offered to business customers that provides access to, and usage of, the switched local exchange network.

2. Residence Non-Basic Exchange Access

A service or family of services (excluding basic single line flat-rate residence service) [*11] offered to residence customers that provides access to, and usage of, the switched local exchange network.

3. Business Optional Services

A service or family of services offered to business customers that provides enhanced calling features or functions complementary to business basic or non-basic exchange access services.

4. Residential Optional Services

A service or family of services offered to residential customers that provides enhanced calling features or functions complementary to residential basic or non-basic local exchange access services.

5. Local Directory Assistance and Directory Services

Local directory assistance and local directory-based services, including, but not limited to, additional listings, miscellaneous listings, non-published and non-listed service.

6. Toll Services

A n-dedicated service that provides non-basic extended local or long distance calling between locations using the public switched network, and toll directory assistance.

7. Operator Services

Local and toll services which utilize a live operator or automated equipment to assist end user-initiated calls. Such services would include, but are [*12] not limited to, billing or completion of third-party, person-to-person, collect, or calling card or credit card calls, and conference services.

8. Transport Service

A service that provides a reserved path(s) between customer designated locations.

9. Public and Semi Public Telephone

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Pay Telephone services provided by the company.

10. Miscellaneous Services

Company-provided ancillary services other than those indicated in preceding categories. Examples of such services: provision of 911 and E911 equipment; equipment for the hearing impaired.

EXHIBIT B

Non-Basic Service Categories - Examples of Services

1. Business Non-Basic Exchange Access

Measured Rate Service

Centrex Services

ESSEX Services

PBX Trunks *

MARS *

Dormitory Service *

Centrex and ESSEX Line Charges *

* Capped Services

2. Residential Non-Basic Exchange Access

Measured Rate Service

3. Business Optional Services

Custom Calling

AIN

ISDN

ACD Service

Dual Service

DID/100

Prestige

Remote Call Forwarding

Touchstar

Call Screening

Ringmaster

Hot Line

Warm Line

Toll Restriction

Optional Billing and Collection Services

SMDI

SMDR

4. Residential Optional [*13] Services

Custom Calling

AIN

ISDN

ACD Service

Dual Service

DID/100

Prestige

Remote Call Forwarding

Touchstar

Call Screening

Ringmaster

Hot Line

Warm Line

Toll Restriction

Optional Billing and Collection Services

5. Local Directory Assistance and Directory Services

Local Directory Assistance

Additional Listings

Non-Published

Non-List

Miscellaneous

6. Toll Services

Two-Point Service

Calling Plans-Saver Service

Wide Area Telecommunications Service

Long Distance Directory Assistance

7. Operator Services

Credit Card, Third Number, Collect

Conference Services

Verification Service

8. Transport Services

TAS Facilities

Extension Service and Tie Lines

Foreign Exchange Service

Foreign Co Service

Area Communication Service

Pulselink

Accupulse

Flexserv

Data Transport

Megalink

Synchronet

Lightgate

Smartprim

Smartring

Private Line

9. Public and Semi-Public Telephone

Public Telephone Service

Semi-Public Telephone Service

10. Miscellaneous

Special Number Assignment

Apartment Door Answering

High Voltage Protection

Trouble Location Charge

911

2. Order 16014, issued April 18, 1986 (approving late payment charge)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Southern Bell tariff filing) DOCKET NO. 860172-TL
to institute a late payment charge.) ORDER NO. 16014
ISSUED: 4-18-86

The following Commissioners participated in the disposition of this matter:

JOHN R. MARKS, III, Chairman
GERALD L. GUNTER
KATIE NICHOLS
MICHAEL MCK. WILSON
JOHN T. BERNDON

NOTICE OF PROPOSED AGENCY ACTIONORDER APPROVING LATE PAYMENT CHARGE

BY THE COMMISSION:

Notice is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for formal proceeding pursuant to Rule 25-22.29, Florida Administrative Code.

On February 3, 1986, Southern Bell Telephone and Telegraph Company (Southern Bell or Company) filed tariff revisions to institute a 1.5% late payment charge on outstanding balances existing at the next billing date. The purpose of this change is to place the costs associated with collection of late payments on those customers making late payments. Although we endorse the concept of delinquent customers bearing the costs of late payments rather than the general body of ratepayers, we do have concerns regarding implementation which are discussed further below.

Southern Bell estimates that it spent \$18,948,733 to treat late accounts on an annual basis. The Company expects the change to bring in \$14,588,199 in first year net revenues. The Company also believes that existence of a late payment charge will provide an incentive for more customers to pay their bills on time.

No investor owned utility subject to the jurisdiction of the Commission currently levies a late payment charge. Because of this fact, we wish to monitor Southern Bell's implementation of this tariff. This charge may be levied by Southern Bell for one year after the effective date of this Order. During this one-year period we direct Company personnel and Commission staff to review collection procedures, costs, the level of the rate and related information. Southern Bell may then wish to refile the tariff we approve today or a modified version based on experience. Southern Bell is also directed to establish a separate subaccount for the revenues derived from the late payment charge. It is, therefore,

ORDERED by the Florida Public Service Commission that Southern Bell Telephone and Telegraph Company's tariff filing to levy a late payment charge of 1.5% is hereby approved for a period of one year to the extent discussed above. It is further

ORDERED that this docket be closed if no request for hearing is received.

FILED - ORDERED DATE

APR 19 1986

FILED

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DOCKET NO. 860172-TL
Page Two

By ORDER of the Florida Public Service Commission, this 18th
day of APRIL, 1986.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes (1985), to notify parties of any administrative hearing or judicial review of Commission orders that may be available, as well as the procedures and time limits that apply to such further proceedings. This notice should not be construed as an endorsement by the Florida Public Service Commission of any request nor should it be construed as an indication that such request will be granted.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.29, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.29(4), Florida Administrative Code, in the form provided by Rule 25-22.36(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32301, by the close of business on May 9, 1986. In the absence of such a petition, this order shall become effective May 10, 1986, as provided by Rule 25-22.29(6), Florida Administrative Code, and as reflected in a subsequent order.

If this order becomes final and effective on May 10, 1986, any party adversely affected may request judicial review by the Florida Supreme Court by the filing of a notice of appeal with the Director, Division of Records and Reporting and the filing of a copy of the notice and filing fee with the Supreme Court. This filing must be completed within 30 days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

#22
MEMORANDUM

May 28, 1987

TO : DIRECTOR OF RECORDS AND REPORTING
FROM : DIVISION OF COMMUNICATIONS [RUSSO, BAILEY]
DIVISION OF LEGAL SERVICES [VANDIVER]
RE : DOCKET NO. - 870456-TL - REVIEW OF SOUTHERN BELL TELEPHONE
COMPANY'S LATE PAYMENT CHARGE.
AGENDA : PLEASE PLACE ON THE JUNE 9, 1987 AGENDA CONFERENCE AS A
CONTROVERSIAL ITEM - PARTIES MAY PARTICIPATE
PANEL : FULL COMMISSION
CRITICAL DATES: TARIFF WAS EFFECTIVE: JUNE 16, 1986
ONE YEAR PERIOD ENDS: JUNE 16, 1987
SPECIAL INSTRUCTIONS: PLEASE SCHEDULE IMMEDIATELY AFTER DOCKET NUMBER
870478-TL

ISSUE AND RECOMMENDATION SUMMARY

ISSUE 1: Should Southern Bell's experimental tariff charging a late payment charge (LPC) to residential and business customers be 1) amended to allow 30 days past the date of mailing before the assessment of the LPC occurs and 2) made permanent.

RECOMMENDATION: Yes. The charge as modified should be approved as a final tariff, providing that the company meet the following criteria:

1. The company proposes a large user bill format.
Within eighteen months, the company should submit

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a proposal to address the billing needs of a medium-sized user. The company should specify in such proposals what constitutes medium and large users.

2. Where available, the company should provide residential customers the option of changing to any bill cycle other than the first bill cycle. The company should provide a bill insert with the August 1987 bill stating that customers may change their bill cycle. The insert should explain that a secondary service order charge and telephone number change charge will apply and the customer's phone number will change.
3. The company applies the charge such that governmental entities are required to pay the maximum late payment charge allowed by law, not to exceed the tariffed amount.
4. The company includes bill language that reads, "Current charges are past due on [September 24, 1987]. To maintain your credit standing, payment should be received by [September 24, 1987]. To avoid a late payment charge, payment should be received by [October 9, 1987]."

ISSUE 2: If the tariff is authorized to extend beyond the one year period, how should additional revenues be treated?

RECOMMENDATION: The revenues should be allowed with no offsetting reduction to other charges.

ISSUE 3: Should other local exchange telephone companies be permitted to charge a late payment charge?

RECOMMENDATION: Yes, providing the petitioning company can meet the following criteria:

1. The company applies the charge as does Southern Bell or can adequately justify why the application will differ.
2. The company proposes a large user bill format with the filing. Within eighteen months of the filing, the company submits a proposal to address the billing needs of a medium-sized user. The company specifies in such proposals what constitutes medium and large users.
3. For those companies with more than one bill cycle and where available, the company provides residential customers the option of changing to any bill cycle other than the first bill cycle. A secondary service order charge and telephone number change charge will apply. The customer's phone number will change.
4. The company applies the charge such that governmental entities are required to pay the maximum late payment charge allowed by law, not to exceed the tariffed amount.
5. The company includes bill language that reads, "Current charges are past due on [September 24, 1987]. To maintain your credit standing, payment should be received by [September 24, 1987]. To avoid a late payment charge, payment should be received by [October 9, 1987]."

ISSUE 4: Should this docket be closed?

RECOMMENDATION: Yes, this docket should be closed.

CASE BACKGROUND

At the April 15, 1986 Agenda Conference, the Commission approved, with contingencies, Southern Bell's proposal to establish a late payment charge. The contingencies included a requirement that the charge and its impact be reviewed and that the charge be limited to a year's time. If, at the time of review, the Commission voted to approve the charge, it could extend beyond one year.

This requirement was imposed in an effort to review actual experience with the charge rather than to accept industry expectations about the impact of the charge. For the same reason, the contingencies also included a directive that no other telephone company establish the charge prior to the outcome of the review.

Over the course of the year, two small telephone companies attempted to establish the late payment charge in their territories. The first, Southland Telephone Company, filed a proposal on July 28, 1986. The Commission entertained the proposal believing that if Southland, a small company, could provide useful data about its experience with the charge, then that data could enhance the one year review. However, upon finding that Southland could provide no useful data, the Commission denied the request.

The second, St. Joseph Telephone Company, filed a proposal on

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February 23, 1987. Since the proposal was filed so close to the time of the Commission's review of Southern Bell's tariff, the Commission suspended the tariff with the understanding that the staff would return with a recommendation concerning the St. Joe proposal at an agenda conference following the resolution of this docket.

This recommendation deals with the review of Southern Bell's late payment charge. It also deals with the generic issues of whether or not the charge should be extended to other telephone companies and if so, the conditions under which the charge may be imposed.

DISCUSSION OF ISSUES

ISSUE 1: Should Southern Bell's experimental tariff charging a late payment charge (LPC) to residential and business customers be 1) amended to allow 30 days past the date of mailing before the assessment of the LPC occurs and 2) made permanent.

RECOMMENDATION: Yes. The charge as modified should be approved as a final tariff, providing that the company meet the following criteria:

1. The company proposes a large user bill format. Within eighteen months, the company should submit a proposal to address the billing needs of a medium-sized user. The company should specify in such proposals what constitutes medium and large users.
2. Where available, the company should provide residential customers the option of changing to any bill cycle other than the first bill cycle. The company should provide a bill insert with the August 1987 bill stating that customers may change their bill cycle. The insert should explain that a secondary service order charge and telephone number change charge will apply and the customer's phone number will change.
3. The company applies the charge such that governmental entities are required to pay the maximum late payment charge allowed by law, not to exceed the tariffed amount.
4. The company includes bill language that reads, "Current charges are past due on [September 24, 1987]. To maintain your credit standing, payment should be received by [September 24, 1987]. To avoid a late payment charge, payment should be received by [October 9, 1987]."

STAFF ANALYSIS: The discussion of this issue involves several parts. First, a description of the current application of the charge and the company proposed application of the charge is given. Second, the intention of the charge is discussed and submitted data is analyzed to determine if the intention of the charge is being met. Third, the problems currently existing with the implementation of the charge are presented, and finally, staff gives its recommendations on the resolution of such problems.

The charge of 1.5% is applied to any outstanding balance existing as of the next bill date. The charge applies in the following way. If, by day 35 of the billing cycle, the company has not received payment for balances that were due on day 24, the customer is assessed a penalty charge. The penalty is 1.5% of all outstanding amounts shown on the bill that was due on day 24. Outstanding amounts include any charges for which Southern Bell bills, whether they are local charges, optional charges, intraLATA and interLATA long distance charges, or interstate charges.

Southern Bell has twenty billing cycles. Attachment A shows cycle one as it currently exists. Day 1 is the bill date. All metered or measured charges are billed in arrears and calculated and closed the day before the bill date. The bill date marks the beginning of the next local exchange service period. For example, in cycle one the bill date of day 1 marks the

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beginning of the local exchange service period beginning on day 1 and ending on day 30. Day 3 is when comptrollers pull billing information and begin compiling bills. Day 9 is the bill release deadline or the final day for the company to mail out bills to customers. Day 12 is when most customers receive their bills in the mail. Day 24 (15 days after the bill release deadline) is the past due delinquent date. Remittance received on this day forward is considered late and counts as a late payment against a customer's credit rating.

Customers are rated according to how well they pay their bills. Generally, for those customers who have had service, Class A customers have paid their bills on time every month for the latest five years. Class B customers have paid their bills on time every month for the latest twelve months. Class C customers have paid their bills late one or two times during the latest twelve months. Class D customers have paid their bills late at least three times during the latest twelve months. The rating of new customers is at the company's discretion.

Day 24 (the 15-day discontinuance date) is the day that notices are sent to Class D customers whose bills exceed a given amount. The given amount is based on a set treatment amount in combination with the local service amount, balance due amount and the total amount due on the bill. The notice

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advises customers that payment not received within five days will result in service being disconnected. Day 25 is when similar notices are sent to Classes B and C customers whose bills also exceed a given amount. Class A customers are rarely sent such notices but instead are contacted by phone. Generally, day 42 is when class D customers who have not paid their outstanding balances are cut off. Generally, days 50 and 45, respectively, are when Classes B and C customers who have not paid their bills are cut off. Class A customers are rarely cut off before day 60. Prior to March 1986, the company included a second treatment step of calling Classes B and C customers before discontinuing service but this treatment step has been discontinued.

Day 35 (day 5 of the next billing cycle) is the day that comptrollers pull billing information and assess the late payment charge to any amounts still outstanding. Currently, the late payment charge is purposely applied after the 15 day delinquent date in order to assure that the local exchange service is fully "consumed" prior to the application of the charge (since payment for local service is in advance). The late payment charge will not have to be remitted until the next bill is due (on day 57). But in the meantime, all outstanding charges (not counting the late payment charge) must be paid by approximately days 50, 45 and 42 for Classes B, C and D customers, respectively, to avoid disconnection.

It is important to note that Attachment A represents one typical bill cycle. Some cycles are shorter since the month is much shorter or because some days in the month fall on holidays. For those shorter cycles, the day on which the late payment charge is assessed may occur as early as day 30.

Due to the fact that these cycles may be shorter and due to the fact that large users have complained that they are not given thirty days past the bill release date before the assessment of the charge occurs, Southern Bell proposes to change the late payment assessment date. Specifically, as shown in Attachment B, the company proposes effective September 1, 1987 to change the assessment date to thirty days past the bill release date.

This change sounds beneficial to the customer but the implementation of this policy may confuse customers. Since thirty day period does not permit the company to note on monthly released bills whether or not payment has been received and, thus, whether a late payment charge applies the LPC cannot be shown on the current bill. In other words, the company proposes to skip a month before the late payment charge is shown on bills. Attachment C illustrates the proposal.

Attachment C shows that for the bill released on day 9, no late payment charge would be assessed until day 40 in all cases except where day 40 falls on a weekend. However, the customer would not see the late payment

charge amount he owes until he receives the bill that is released on day 70. (The bill that is released on day 39 cannot show the charge because the business office does not assess the charge until day 40 and therefore cannot show the charge on the bill that is released on the day 39).

We have some concerns that this procedure will confuse customers but we believe that the benefits of giving the customer a longer time in which to pay override our concerns. Therefore, we recommend approval of the amended tariff.

In its original proposal, Southern Bell laid out its perception of the intent of the charge. The company stated that the purpose of the charge was first, to offset those expenses resulting from the late payment of customers' bills. The company also stated that they believed the charge could correct an inequity caused by customers who pay late, explaining that the inequity occurs when the whole subscriber base bears the additional expense caused by the late payers. Finally, the company suggested that the charge may encourage prompt payment, thereby allowing the company to avoid some of the expense that results from late payment. Staff agrees with Southern Bell's perception of the intent of the charge. We also believe these intentions are beneficial to the general body of ratepayers. It is desirable that individuals who cause avoidable costs pay directly for them. Otherwise, the

general body of ratepayers will most likely pay for those costs either through general rates or through reduced service quality.

It appears that the late payment charge, conceptually is an appropriate tool to meet any of these goals. However, actual experience indicates that the current charge, structured as 1.5% of outstanding amounts, approaches meeting the first two stated purposes but does not meet the third.

* Regarding the first intention, the expenses resulting from the late payment of customers' bills amounted to \$16,200,989 for the nine month period of July 1986 through March 1987. These are expenses specifically incurred by treating delinquent accounts. These expenses are generated by activities such as the business office making and receiving calls to delinquent customers. They do not consider the costs to prepare and send late notices.

The revenues generated from the application of the late payment charge amounted to \$8,626,766 for the same time period. Entire developmental implementation and ongoing expenses to date associated with the charge lower the revenue amount by about \$543,175. Clearly, the intention of the late payment charge to offset those expenses resulting from the late payment of customers' bills was not met by actual experience, though the charge contributed toward expenses.

As to the second intention, it may be that customers agree that the

late payment charge corrects an inequity. While we do not have any survey results as to customers' feelings, the surprisingly few number of complaints we have received as to the concept of the charge may indicate that customers are not opposed, in concept, to the late payment charge. (Unfortunately, it may also indicate that customers are not knowledgeable about the existence of our Consumers Affairs 800 number to make known their opposition.)

As to the third intention, while the company was unable to provide an accounts receivable aging schedule, it did provide an alternative study to indicate the impact of the charge on payment habits. The study compares those balances existing as of the next bill date prior to the implementation of the late payment charge with balances existing as of the next bill date after the implementation of the charge. The study looks at four sample billing cycles beginning on days 29, 1, 2, and 4. Our analysis considers the months of June 1986 (before the charge) and October 1987 (after the charge).

The study indicates that for the billing periods chosen, none of the periods showed any improvement in the percentage of residence accounts with amounts outstanding as of the next bill date. In fact, the performance was worse with 14.06%, 14.36%, 18.79% and 19.86% changing to 15.66%, 15.25%, 19.49% and 24.26%, respectively. This study further indicates that for the billing periods chosen, only two of the four periods showed any improvement in

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the percentage of business accounts with amounts outstanding as of the next bill date. The performance was inconsistent with 20.09%, 22.34%, 23.69% and 28.60% changing to 23.21%, 20.91%, 24.64% and 33.90%, respectively.

In its final quarterly report, Southern Bell presented a study to show that for the 303,913 residence accounts randomly selected, there was a total of 3 more occurrences of carrying a balance due in a three month period of January-March 1987 after the late payment charge implementation than in the three month baseline period of April-June 1986. This indicates that residence account collections did not improve and even became slightly worse. For the 106,803 randomly selected business accounts there was a total of 482 fewer occurrences of carrying a balance due past late payment charge. This indicates that business account collections only very modestly improved. The study results for business and residence accounts together indicate that the charge did not encourage prompt payment.

Another piece of information that indicates the charge did not encourage prompt payment is the change in the average collection period for the month of May 1986 from 31.78 days to the average collection period for the month of April 1987 of 31.95 days. Even though the average collection period for the year of 1987 did improve slightly over that of 1986 and it may be better to look at year long trends instead of monthly figures, this monthly

figure may be further indication that the charge did not encourage prompt payment.

We would conclude that the data indicates while the charge contributes toward expenses it does not offset expenses resulting from the late payment of customer's bills. The data also indicates the charge does not encourage prompt payment and does not allow the company to avoid some of the expenses that result from late payment.

Staff does not have problems with the fact that the revenues gained are less than the treatment costs. If the Commission determined that revenues must exactly match costs, the rate charged based on the experience thus far would need to be increased to 2.3%.

We would not like to see an increase at this time. Customers are now accustomed to a 1.5% charge. If the charge was tied to annual collection expenses, it could vary yearly since costs will vary annually. Furthermore, as can be seen in Attachment D, most states having a late payment charge have approved the 1.5% rate.

Regarding the fact that the charge did not encourage prompt payment, staff believes that the average charge of \$.88 by residential customers per late pay is too low to encourage prompt payment. In fact, it may discourage prompt payment since it may be viewed as a way to buy extra time. It appears

to staff that, in order to effectively encourage prompt payment, the charge would need to be structured as 1.5% of outstanding amounts or \$10, whichever is greater.

We do not recommend such a structure, however, since we believe that \$10 represents an unacceptable amount in proportion to the total bill. Therefore, we suggest that the prompt payment aspect be deemphasized as the charge will remain ineffective as a way to encourage residential customers to timely pay.

Staff had considered recommending the elimination of the residential charge since it does not impact payment habits, but we believe that residential customers should continue to pay the current charge. As of March 1987 residential accounts comprised 86% of total accounts and generated a comparable percentage (81%) of collection expenses. Since we believe it is appropriate that the costs of the collection effort be born by the customer who causes them, we recommend that the residential customer continue to pay the charge.

We would like to describe the late payer. Another study conducted by the company indicates that the late payer is not habitual but rather incurs one or two late pays a year. Results of the study are shown in Attachment E. The Attachment shows the number and percentage of customers who have been late

payers and a distribution of the late payers as to how many times the delinquencies occur. As can be figured, about 18% of residential customers and 19% of business customers pay late only once in a nine-month period. Only 1% of residence accounts and 1% of business accounts pay late every month. 41% of residential and 54% of business customers (excluding coin) never pay late.

The average late payment charge paid by a residential customer in March 1987 was \$.88. The average late payment charge paid by a business customer for the same period was \$6.55.

A distribution by size, of the number and percentage of customers who pay the charge is shown in Attachment F. As can be seen, since most accounts are small it is the small residential customers with account balances of less than \$50.00 who generate most of the revenue. We again point out, however, that it is these customers who also generate the most expenses resulting from the business office receiving calls from and calling to delinquent customers, because there are so many. Attachment G presents a summary table of the late payment revenues and size of the late payment charge.

Several problems currently exist with the implementation of the charge. First, large users, defined by Southern Bell as those generating business above \$80,000 per year, are faced with the charge if they fail to pay

timely. These large users have difficulty deciphering bills that are not specifically formatted for them. Therefore, the large user is often faced with a decision to either pay the bill in full and expect a credit if a problem with the bill is found later or to incur the late payment charge. We do not believe these are viable options.

We believe it is essential that a customer always be able to avoid the late payment charge. Otherwise the charge is merely a thinly disguised rate increase.

In this case, however, we are comforted by the recent filing of the Customized Large User Bill (C.L.U.B.) tariff. With this tariff proposal, Southern Bell attempts to solve the bill formatting problem and thus gives the customer a viable way to handle bills in a reasonable manner, expedite payment and thus avoid the LPC. The tariff presents an improved generic bill design for large users at no charge and presents customized billing options at various charges. We believe that the implementation of this tariff, which will be presented at this agenda conference, will mitigate our large user billing concerns.

We also believe that customers generating less than \$80,000 per year could be assisted by a changed bill format. We are therefore also recommending that the company address the billing concerns of medium sized users within eighteen months.

Along the same vein, some residential customers may not have a viable way to avoid the late payment charge. The customers of concern are social security recipients or fixed income recipients. At the April 15, 1986 Agenda Conference it was represented to the Commission that such customers who receive checks on a given day of the month that conflicts with their due date and, as a result, may have a preferred payment date, would not be impacted by the late payment charge. We do not believe this is the case. While we have received few complaints from such customers it is our understanding that there is no non-discriminatory policy available to a customer who needs to change his bill date. Company personnel have explained that if a customer repeatedly calls the business office and expresses concern over meeting his payment date, the customer service representative may, at his discretion, offer two options. The first is a change in telephone number in the same central office (since the NNX is associated with a bill cycle). The second is a change to a dummy number for those instances in which only one NNX exists.

Staff believes this discretionary treatment of a customer who attempts to pay timely and can pay timely if given a bill date that lays down with the receipt of his check is unacceptable. We therefore recommend that the customer be given the option, for a secondary service order charge (i.e. \$9.00), and a telephone number change charge (i.e. \$11.50), to change his bill date. Since the easiest way this can be done is by changing the NNX of the

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customer to an NNX that is associated with a different bill date, we suggest that the customer be permitted to change to a different telephone number for the purpose of changing his bill date. We do caution that this option may not be available in all central offices. For example, if only one billing cycle exists this option will not be available.

In Docket No. 850046-TL, Southern Bell expressed concern that the company could not administer such a policy because of its belief that most customers, if given an option, would change to the first bill period of the month. To mitigate this concern, we recommend a bill insert be included with the August 1987 bill that states customers may change their bill cycle to any cycle other than the first cycle with the explanation that a secondary service order charge and telephone number change charge will apply and a number change will be required.

Another problem that currently exists with the implementation of the charge deals with the application of the charge to governmental entities. It is our understanding that the charge is applied to the federal government, but is not applied to state and local governments. Southern Bell's rationale for this differing treatment is that state and local governments have the ability to quickly enact legislation that would override Southern Bell's tariff authority to exact the charge.

Our legal staff believes that it is appropriate that Southern Bell

enforce its tariff. The tariff currently states that late payment charges to governmental entities shall be the maximum allowable by law but no more than 1.5% per month.

According to our legal staff, Governmental entities may not be lumped into one convenient category for purposes of the late payment charge assessed by Southern Bell. This is due to differing statutory and case law requirements. The federal government is subject to the Prompt Payment Act, 39 USCS §3901-06 (1985). This law has been interpreted to require federal agency adherence to the terms of the tariff of 1.5% on outstanding balances (63 Comp. Gen. 517 (1984)). State government entities are subject to the provisions of Section 215.422, Florida Statutes, with regard to late payment charges. This statute provides for a 1% charge forty-five days after presentation of the bill. An Attorney General opinion (AG 082-19) and the practice of the State Comptroller's Office have treated the statutory provision as the exclusive remedy. Thus, the State of Florida will pay only 1% on past due balances pursuant to statute rather than the 1.5% provided by the tariff. Local governments (counties and municipalities) could enact ordinances to either opt in or opt out of the late payment charge.

County governments are generally not subject to interest on their obligation, but could waive such immunity if they chose to do so (Duval County

v. Charleston Engineering and Contracting Co., 134 So. 509 (Fla. 1931).

Municipalities are generally liable for interest on its obligations, but could pass an ordinance to avoid the charge (City of Miami v. Canter, 105 So. 2d 5 (Fla. 1958); Chapter 166, Florida Statutes.

Therefore, if the tariff is properly applied as interpreted by our legal staff, the federal government will pay 1.5% after 30 days, the state government will pay 1% after 45 days and local governments will pay 1.5% after 30 days providing they have no ordinance that allows them to opt out of the charge. We recommend the tariff be properly applied.

A final problem deals with the lack of specificity on the bill as to when the late payment charge applies. Presently, the bill reads that, "Current charges are past due on [September 24, 1987]. A 1.5% late payment charge will apply on any unpaid balance." This statement is not clear. The delinquent date and the day the late payment charge is assessed are two different dates. We believe the current statement confuses the customer. It is inappropriate to confuse the customer into thinking he must pay his bill by the delinquent date in order to avoid a late payment charge. Therefore, we recommend that the statement be revised to clearly inform the customer. We suggest that the bill language be revised to state that, "Current charges are past due on [September 24, 1987]. To maintain your credit standing, payment

should be received by [September 24, 1987]. To avoid a late payment charge, payment should be received by [October 9, 1987]."

In conclusion, staff continues to support a late payment charge. We do, however, believe some flaws in its implementation currently exist and urge the Commission to use this opportunity to correct those flaws. Therefore, we recommend that the charge should be approved as a permanent tariff providing that the company meet the following criteria:

1. The company proposes a large user bill format. Within eighteen months, the company should submit a proposal to address the billing needs of a medium-sized user. The company should specify in such proposals what constitutes medium and large users.
2. Where available, the company should provide residential customers the option of changing to any bill cycle other than the first bill cycle. The company should provide a bill insert with the August 1987 bill stating that customers may change their bill cycle. The insert should explain that a secondary service order charge and telephone number change charge will apply and the customer's phone number will change.
3. The company applies the charge such that governmental entities are required to pay the maximum late payment charge allowed by law, not to exceed the tariffed amount.
4. The company includes bill language that reads, "Current charges are past due on [September 24, 1987]. To maintain your credit standing, payment should be received by [September 24, 1987]. To avoid a late payment charge, payment should be received by [October 9, 1987]."

ISSUE 2: If the tariff is authorized to extend beyond the one year period, how should additional revenues be treated?

RECOMMENDATION: The revenues should be allowed with no offsetting reduction to other charges.

STAFF ANALYSIS: When the tariff was authorized at the April 15, 1986 agenda conference, the Commission voted to authorize the charge with no offsetting reduction. We continue to believe that this is the correct approach. It is the correct approach because again we stress that the revenues should be used to cover the costs created by the cost causer. We believe it is appropriate that the revenues be used to offset the costs of collection that are generated by the need to treat delinquent accounts. As stated in Issue 1, the expenses resulting from late payment of customers' bills exceed the revenue generated from the application of the late payment charges. Therefore, we believe it is unnecessary to reduce other charges.

We understand, of course, that current rates already cover these expenses since such costs were included in the last rate proceeding. Our discussion really anticipates the next rate proceeding in which the LPC revenues will be used, in lieu of rate increases, to cover general costs.

In the meantime, since we are not explicitly offsetting this revenue flow, the recent stipulation approved in Docket No. 861362 which includes an

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agreement that Southern Bell would refund all amounts that exceed a rate of return on equity ceiling of 15% protects the ratepayer. Staff has done an analysis of the financial impact of the tariff on the company's return on equity and shows that the amount generated this year by the charge does not place Southern Bell over this ceiling. Specifically, return on equity increased 38 basis points as a result of the late payment fee. While there may be a possibility that the revenue flow from the late payment fee will increase, no calculation has been made for revenue growth. ATT-C is billing more of their own customers and the late payment base may decline. Therefore, it is possible the revenue flow will also decrease equally. Alternatively, the base may increase due to toll stimulation and increase in revenue from the subscriber line charge increase. Recognizing the uncertainty in the future revenue flow, staff has assumed the revenue flow will remain constant.

ISSUE 3: Should other local exchange telephone companies be permitted to charge a late payment charge?

RECOMMENDATION: Yes, providing the petitioning company can meet the following criteria:

1. The company applies the charge as does Southern Bell or can adequately justify why the application will differ.
2. The company proposes a large user bill format with the filing. Within eighteen months of the filing, the company submits a proposal to address the billing needs of a medium-sized user. The company specifies in such proposals what constitutes medium and large users.
3. For those companies with more than one bill cycle and where available, the company provides residential customers the option of changing to any bill cycle other than the first bill cycle. A secondary service order charge and telephone number change charge will apply. The customer's phone number will change.
4. The company applies the charge such that governmental entities are required to pay the maximum late payment charge allowed by law, not to exceed the tariffed amount.
5. The company includes bill language that reads, "Current charges are past due on [September 24, 1987]. To maintain your credit standing, payment should be received by [September 24, 1987]. To avoid a late payment charge, payment should be received by [October 9, 1987]."

STAFF ANALYSIS: As we have stated, we continue to support the concept of a late payment charge. We believe it is appropriate that late payers, rather than the general body of ratepayers, bear the costs of account treatment. Therefore, we recommend that all companies be encouraged to propose the charge. (We do not recommend they be required to propose the charge since some companies, for example, those with very low penetration rates, may not desire the charge).

However, we have also pointed out what we believe to be problems with Southern Bell's current application. Therefore in keeping with our recommendation that these problems be addressed, we recommend that petitioning companies who desire to implement the the charge meet the following criteria:

1. The company applies the charge as does Southern Bell or can adequately justify why the application will differ.
2. The company proposes a large user bill format with the filing. Within eighteen months of the filing, the company submits a proposal to address the billing needs of a medium-sized user. The company specifies in such proposals what constitutes medium and large users.
3. For those companies with more than one bill cycle and where available, the company provides residential customers the option of changing to any bill cycle other than the first bill cycle. A secondary service order charge and telephone number change charge will apply. The customer's phone number will change.

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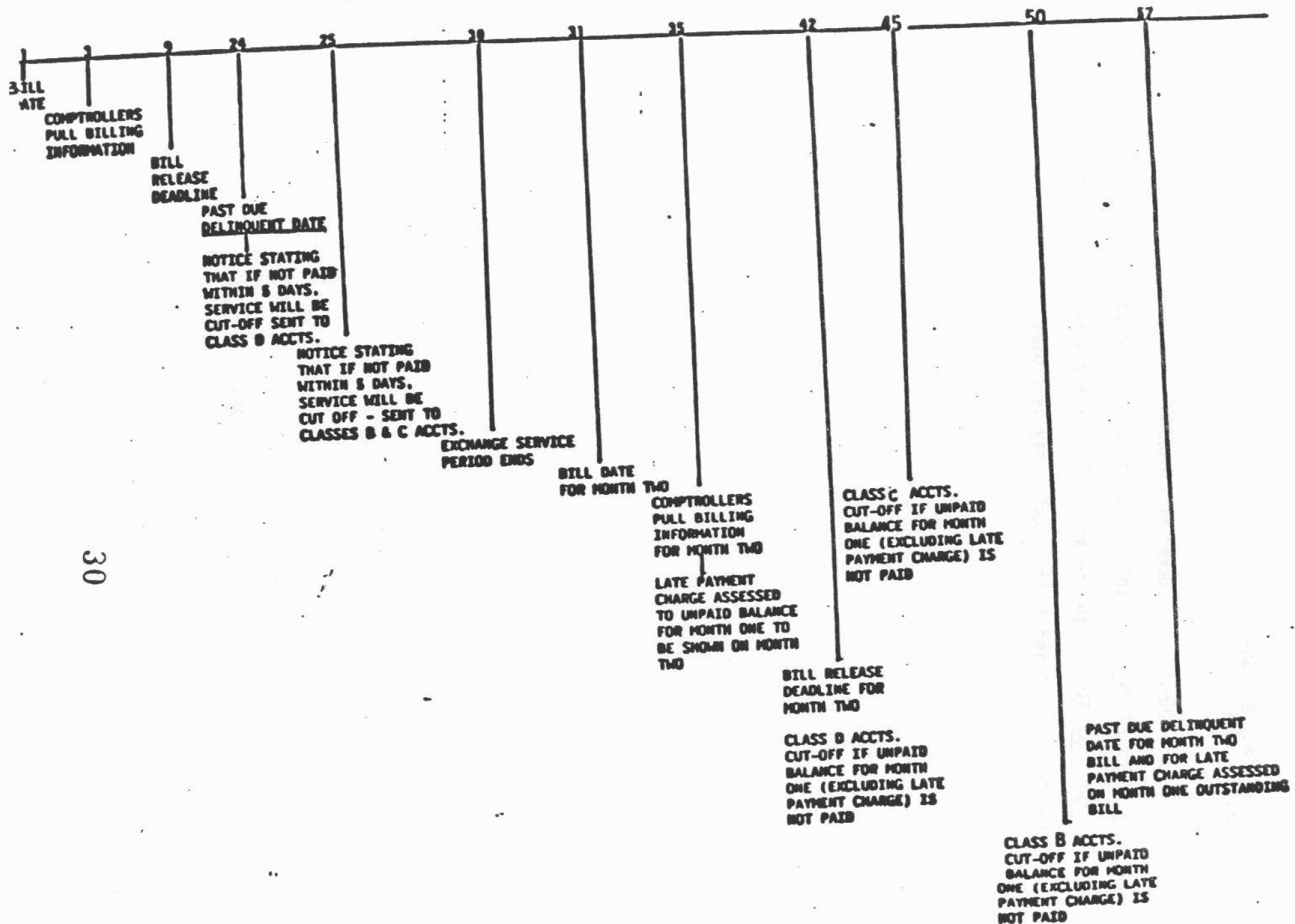
ISSUE 4: Should this docket be closed?

RECOMMENDATION: Yes, this docket should be closed.

STAFF ANALYSIS: With the approval of staff's recommendations
for Issues 1, 2 and 3, this docket may be closed.

(0824C/lem)

SOUTHERN BELL COLLECTION POLICY AFTER IMPLEMENTATION OF A LATE PAYMENT CHARGE



SOUTHERN BELL TELEPHONE
AND TELEGRAPH COMPANY
FLORIDA

ISSUED: June 9, 1987
BY: Vice President
Miami, Florida

GENERAL SUBSCRIBER SERVICE TARIFF

Second Revised Page 14
Cancels First Revised Page 14

EFFECTIVE: September 1, 1987

A2. GENERAL REGULATIONS

A2.4 Payment Arrangements and Credit Allowances (Cont'd)

A2.4.2 Credit and Deposits for Applicants (Cont'd)

F. Responsibility For Payment

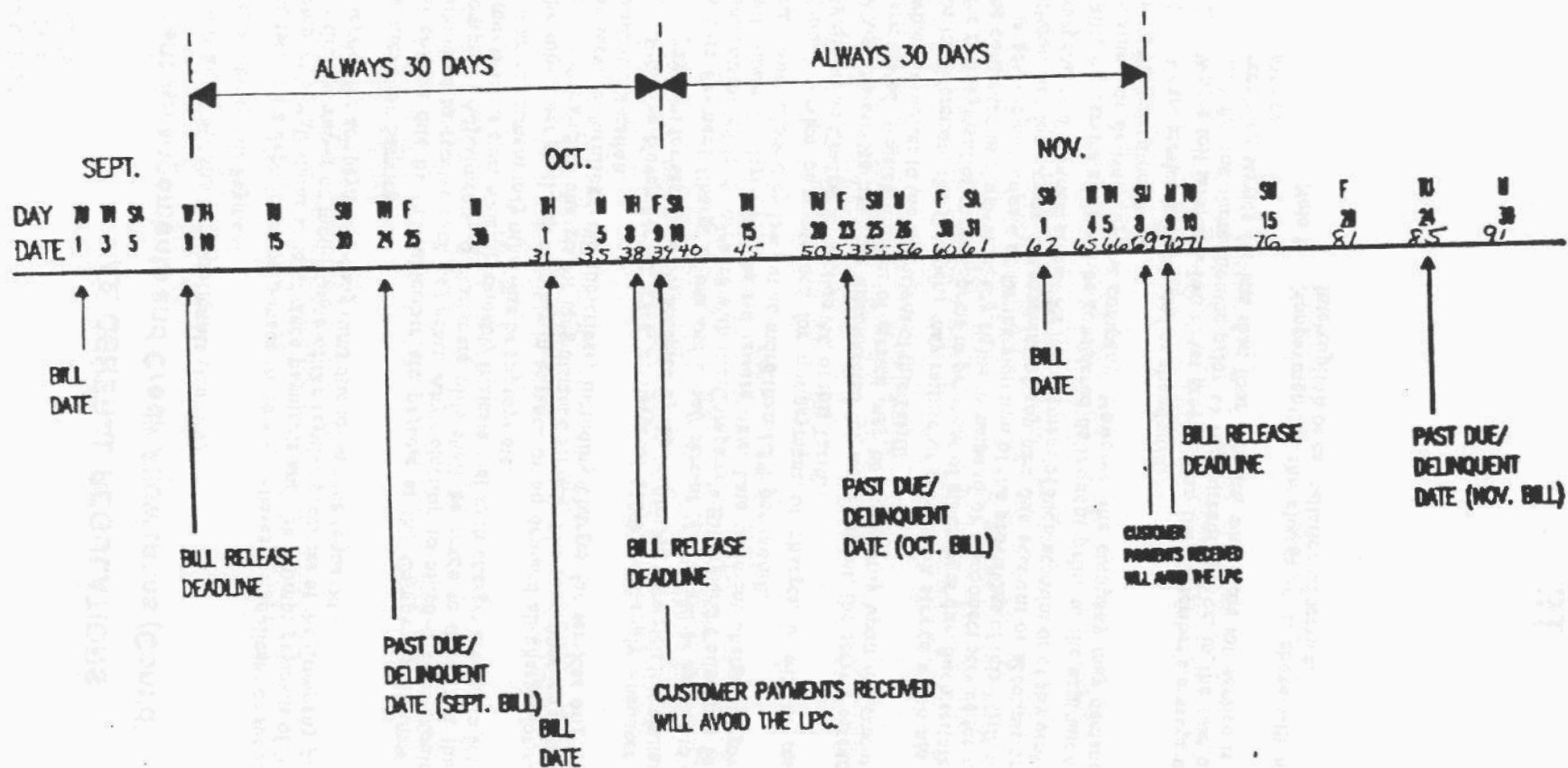
The fact that a deposit has been made in no way relieves the applicant or subscriber from complying with the Company's regulations as to advance payments and the prompt payment of bills on presentation nor does it constitute a waiver or modification of the regular practices of the Company providing for the discontinuance of service for nonpayment of any sums due for service rendered.

A2.4.3 Payment for Service

- A. All charges due by the subscriber are payable at the Company's Business Office or at any agency duly authorized to receive such payments. Any objection to billed charges should be promptly reported to the Company. Adjustments to customers bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate.
- B. The subscriber shall pay monthly in advance or on demand all charges for service and equipment and shall pay on demand all charges for long distance service. The subscriber is responsible for payment of all charges for services furnished the subscriber, including charges for services originated or charges accepted at the subscriber's station.
 - 1. Effective November 10, 1982, a charge of \$10.00 will apply whenever a check or draft presented for payment for service is not accepted by the institution on which it is written.¹
- C. A Late Payment Charge of one and a half percent (1.5%) will be applied to each customer's bill (including amounts billed in accordance with the Company's Billing and Collections Services Tariff) that is not paid in full within 30 days from the bill release date. Late payment charges to governmental entities shall be the maximum allowed by law but no more than 1.5% per month. (C)
- D. Should service be suspended for nonpayment of charges, it will be restored only as provided under "Restoration Charge" in Section A4. of this Tariff.
- E. When the service has been disconnected for nonpayment, the service agreement is considered to have been terminated. Reestablishment of service may be made only upon the execution of a new service agreement which is subject to the provisions of this Tariff.
- F. In its discretion, the Company may restore or reestablish service which has been suspended or disconnected for nonpayment of charges, prior to payment of all charges due. Such restoration or reestablishment shall not be construed as a waiver of any rights to suspend or disconnect service for nonpayment of any such or other charges due and unpaid or for the violation of the provisions of this Tariff; nor shall the failure to suspend or disconnect service for nonpayment of any past due account or accounts operate as a waiver or estoppel to suspend or disconnect service for nonpayment of such account or of any other past due account.
- G. Bills for service shall not be considered delinquent prior to the expiration of fifteen days from the date of mailing or delivery by the company. However, the company may demand immediate payment under the following circumstances:
 - 1. Where service is terminated or abandoned.
 - 2. Where toll service is two times greater than the subscriber's average usage as reflected on the monthly bills for the three months prior to the current bill or, in the case of a new customer who has been receiving service for less than four months, where the toll service is twice the estimated monthly toll service.

Note 1: Nonpayment of the charge in 1. above will not constitute sufficient cause for interruption or cancellation of service.

FLORIDA LATE PAYMENT CHARGE (LPC) BILLING CYCLE



NOTE: LPC APPEARS ON NOV. BILLS FOR THOSE CUSTOMERS WHO WERE LATE IN SEPT. AND DID NOT PAY BY OCT. 30th.

Late Payment Charges

A Survey of State Policies

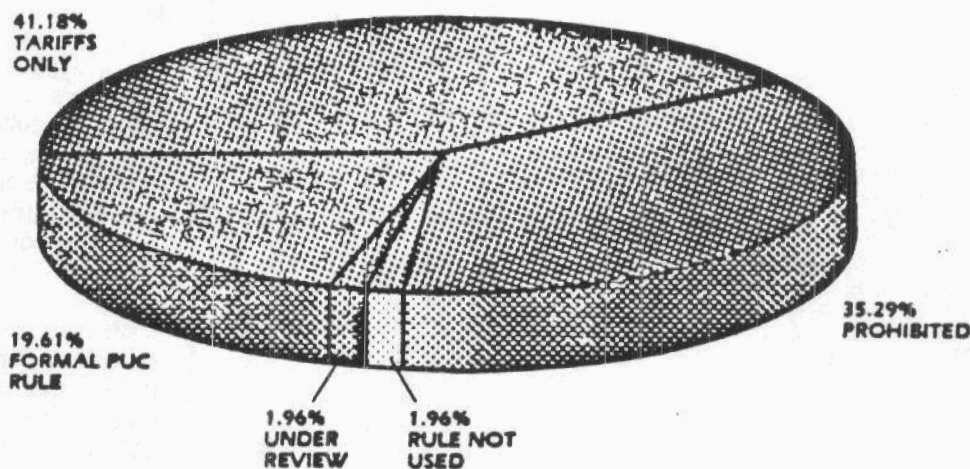


FIGURE 1 SUMMARY OF LPC RULES NATIONWIDE

KIM ROBERT SCOVILL

A LATE payment charge is a fee added to a delinquent subscriber's telephone bill to encourage prompt payment or to defray additional collection costs.

A survey initiated last September by Cincinnati Bell Telephone Co. compiled the status of state regulatory commission or LEC policies regarding LPCs. Fifty states and the District of Columbia were sampled and all responded. Many states were asked to verify the evaluation of their state's policy. Some telephone interviews also were conducted.

The study revealed that a slight majority of jurisdictions have either a formal rule giving regulatory sanction

to LPCs, or LECs include such a policy in their tariff filings (Figure 1). In Arkansas, the state commission allows LPCs, but no telco currently applies the policy. A significant minority of states expressly prohibit the practice. Delaware and Kansas have the issue under investigation.

Most regulatory jurisdictions which prohibit LPCs are east of the Mississippi (Figure 2). The majority of these are in the Northeast. Organized by regions, the number of jurisdictions which allow or deny LPCs are outlined in Figure 3.

LPCs can vary from a percentage of the total bill to a flat fee—or some combination of both. They often ap-

pear as part of the total balance on the next bill. Of those states that have an LPC, most use 1.5% of the past due balance as the standard.

The remaining states that use percentages vary this amount from a low of 1% (North Carolina and Hawaii) to a high of 10% (Kentucky and Oklahoma). The second most popular form of LPC is a flat fee. Five states allow rates to vary among different companies within their jurisdictions (Kentucky, New Mexico, Oklahoma, Utah and Virginia).

An interesting new approach to the

Continued on page 56

Kim Robert Scovill is • Staff Supervisor, External Affairs Division of Cincinnati Bell Telephone Co.

ATTACHMENT D
PAGE 2 of 2

FIGURE 2 LPC RULES BY STATE

Alabama	Y 2	Montana	N
Alaska	Y 2	Nebraska	Y 1
Arizona	Y 2	Nevada	Y 2
Arkansas	Y NC	New Hampshire	N
California	Y 2	New Jersey	N
Colorado	N	New Mexico	Y 2
Connecticut	N	New York	Y 2
Delaware	I	North Carolina	Y 1
Dist. of Columbia	N	North Dakota	Y 2
Florida	Y 2	Ohio	Y 2
Georgia	N	Oklahoma	Y 2
Hawaii	Y 2	Oregon	Y 1
Idaho	N	Pennsylvania	Y 1
Illinois	Y 2	Rhode Island	N
Indiana	Y 1	South Carolina	Y 1
Iowa	Y 1	South Dakota	Y 2
Kansas	N	Tennessee	N
Kentucky	Y 2	Texas	Y 2
Louisiana	Y 1	Utah	Y 2
Maine	Y 1	Vermont	N
Maryland	N	Virginia	Y 2
Massachusetts	N	Washington	N
Michigan	N	West Virginia	Y 2
Minnesota	Y 2	Wisconsin	N
Mississippi	N	Wyoming	Y 2
Missouri	Y 1		

Y 1 = Formal PUC rule exists allowing late payment charges

Y 2 = Late payment charge policy in company tariffs only

I = Issue under investigation

Y NC = Formal PUC rule exists, but no company currently charges

N = No company may charge for late payment

FIGURE 3 REGIONS WITH LPC RULES

	Allow	Deny	Investigating	Total
Northeast	3	7	1	11*
South	9	3	0	12
Midwest	9	2	1	12
Mountain	3	3	0	6
Southwest	4	0	0	4
Pacific	5	1	0	6
TOTALS	35	16	2	53

* (Includes the District of Columbia)

late payment question is being tried by Anchorage Telephone Utility, which last September proposed a tariff with a two-tier LPC. The tariff combined a one-time LPC, followed by a finance charge. A one-time charge of \$6.15 is based on the actual administrative cost to the telco for sending out the late payment notices. A finance charge of 10.5% each year on the delinquent amount represents Anchorage Telephone Utility's cost of capital as set by the Alaska regulatory commission.

Almost 50% of the 32 states that allow LPCs apply them if a customer's bill remains unpaid at its due date. A smaller number of these states delay application until the next month's bill is readied. At the extreme, Hawaii delays the LPC until a past due bill is more than 60 days old.

As a general rule, if a late payment charge applies, it encompasses the customer's entire bill. Most states with LPCs follow this approach. Indiana, Maine, Oklahoma, South Dakota and Texas apply LPCs to local service and intrastate toll, but not to interstate toll. Pennsylvania applies its LPC only to local service charges.

Most states with an LPC policy do not have a minimum billing policy. Of those states' telcos that deduct a minimum balance, a deduction between \$10 and \$20 is typical. However, the minimum balance runs as high as \$99, as it is in West Virginia.

LPCs appear to be a relatively recent development for telcos. Of the 32 states with LPCs, our survey contained starting dates for 21. The earliest enacted policy is North Carolina's, which was initiated in November 1972.

However, no telco filed a tariff under the North Carolina rule until 1983. Most states or telcos with LPC policies did not enact them until after 1983. Two were enacted that year, three in 1984, four in 1985, and five policies became effective before November 1986.

In summary, LECs are aware that good credit management is more than just good business: It keeps common costs down to the benefit of all customers. LPCs are now a fact of life in 60% of the states, and are one part of this credit management strategy. □

RESPONSE: FLORIDA LATE PAYMENT CHARGE STUDY

NUMBER MONTHS LATE* JULY 1986 - MARCH 1987

	<u>ONE</u>	<u>TWO</u>	<u>THREE</u>	<u>FOUR</u>	<u>FIVE</u>	<u>SIX</u>	<u>SEVEN</u>	<u>EIGHT</u>	<u>NINE</u>	<u>TOTAL</u> <u>ACCOUNTS</u>
<u>BUSINESS ACCTS #</u>										
TOTAL	84,048	47,755	34,404	25,986	19,302	14,857	12,383	13,352	5,597	257,684
X	32.6	18.5	13.4	10.1	7.5	5.8	4.8	5.2	2.2	
<u>RESIDENCE ACCTS</u>										
TOTAL	478,439	233,988	155,073	114,991	87,974	67,761	50,681	40,159	16,333	1,245,399
X	38.4	18.8	12.5	9.2	7.1	5.4	4.1	3.2	1.3	

* Based On Gross Applications of Late Payment Charge

Excludes Coin Accounts

Telegraph Company
 FPSC Docket No. 860172-TP
 Orders No. 16014 and 16100
 Late Payment Charge/Ord. Report
 First Quarter, 1987
 April 30, 1987
 Item No. 15
 Page 2 of 2

RESPONSE: FLORIDA LATE PAYMENT CHARGE STUDY

ACCOUNTS WITH LATE CHARGE BY BILL AMOUNT+

<u>RESIDENCE</u>	<u>'86 JULY</u>	<u>AUGUST</u>	<u>SEPTEMBER</u>	<u>OCTOBER</u>	<u>NOVEMBER</u>
\$0-50	110,426	240,691	247,577	244,766	241,498
\$51-100	50,083	105,154	111,776	111,838	106,640
\$101-150	13,908	27,443	29,984	30,912	27,811
\$151-300	7,195	14,099	14,761	15,312	14,445
\$301-500	993	1,790	1,821	1,960	1,847
\$501-1000	243	402	422	495	492
\$1001-2500	29	51	49	68	76
\$2501-5000	4	11	8	10	11
\$5001-10000	1	8	9	7	3
\$10001+	0	3	3	4	2
TOTAL	182,882	389,652	406,410	405,372	392,825

<u>BUSINESS #</u>	<u>'86 JULY</u>	<u>AUGUST</u>	<u>SEPTEMBER</u>	<u>OCTOBER</u>	<u>NOVEMBER</u>
\$0-50	9,149	20,100	20,406	19,583	19,803
\$51-100	7,355	15,452	15,687	15,552	15,087
\$101-150	5,244	11,315	11,291	11,281	10,909
\$151-300	8,962	19,616	19,872	20,096	19,193
\$301-500	4,655	10,903	10,910	10,594	10,300
\$501-1000	3,381	8,018	7,621	7,652	7,603
\$1001-2500	1,762	4,250	3,838	3,803	3,777
\$2501-5000	496	1,176	1,077	1,057	1,041
\$5001-10000	222	543	436	430	424
\$10001+	139	431	330	338	312
TOTAL	41,365	91,804	91,468	90,386	88,449

+ Gross Late Charge Application

Excludes Coin Accounts

000116/jcs:ec/1

ATTACHMENT F
PAGE 1 of 2

Southern Bell Telephone &
Telegraph Company
FPSC Docket No. 860172-TP
Orders No. 16014 and 16100
Late Payment Charge/Ord. Report
First Quarter, 1987
April 30, 1987
Item No. 14
Page 2 of 3

RESPONSE: FLORIDA LATE PAYMENT CHARGE STUDY

ACCOUNTS WITH LATE CHARGE BY BILL AMOUNT+

<u>RESIDENCE</u>	<u>'86 DECEMBER</u>	<u>JANUARY</u>	<u>FEBRUARY</u>	<u>MARCH</u>	<u>LATE AUG-MAR AVG PCT</u>	<u>MAR '87 ACCOUNTS WITHOUT LATE CHARGE</u>
\$0-50	266,430	259,740	244,131	261,626	59.73	1,686,641
\$51-100	123,177	129,890	121,819	127,543	27.92	456,018
\$101-150	33,777	37,226	34,128	36,235	7.67	114,424
\$151-300	17,485	19,712	18,216	19,875	3.99	66,420
\$301-500	2,532	2,782	2,707	2,810	0.54	10,756
\$501-1000	611	659	732	767	0.14	3,111
\$1001-2500	96	102	94	114	0.02	442
\$2501-5000	12	10	6	11	0.00	27
\$5001-10000	3	4	1	3	0.00	10
\$10001+	1	0	0	2	0.00	2
TOTAL	444,124	450,125	421,834	448,986		2,337,851

<u>BUSINESS RESIDENCE</u>	<u>'86 DECEMBER</u>	<u>JANUARY</u>	<u>FEBRUARY</u>	<u>MARCH</u>	<u>LATE AUG-MAR AVG PCT</u>	<u>MAR '87 ACCOUNTS WITHOUT LATE CHARGE</u>
\$0-50	22,447	23,225	21,403	23,004	21.97	88,309
\$51-100	17,493	17,553	16,693	17,087	16.88	64,014
\$101-150	22,335	12,679	11,792	12,530	12.17	38,604
\$151-300	22,631	22,755	21,066	22,384	21.66	65,252
\$301-500	12,639	12,874	11,534	12,934	11.98	35,272
\$501-1000	9,460	9,628	8,528	9,529	8.79	26,233
\$1001-2500	4,899	4,872	4,310	4,740	4.46	11,952
\$2501-5000	1,271	1,380	1,116	1,252	1.21	2,519
\$5001-10000	528	567	506	559	0.52	898
\$10001+	350	391	336	344	0.37	609
TOTAL	104,053	105,924	97,384	104,363		333,662

+ Gross Late Charge Application
* Excludes Coin Accounts

AREA: FLORIDA 1987

FLORIDA
LATE PAYMENT CHARGE

RESIDENCE	JAN.	FEB.	MAR.	APR.	MAY.	JUNE.	JULY.	AUG.	SEPT.	OCT.	NOV.	DEC.	YR. TOT.
1. ACCOUNTS/BLD.	2750180	2768246	2780225										1733726
2. ACCOUNTS/BAL.	592968	559077	581681										1331728
3. ACCOUNTS/LPC	463643	419826	448259										\$1,182,044
4. LPC BILLED	\$422,801	\$366,086	\$393,157										\$1,182,044
5. CUM. LPC W/O ADJ.	\$422,801	\$788,887	\$1,182,044										\$0.09
6. AVG. LPC	\$0.91	\$0.87	\$0.88										

BUSINESS	JAN.	FEB.	MAR.	APR.	MAY.	JUNE.	JULY.	AUG.	SEPT.	OCT.	NOV.	DEC.	YR. TOT.
1. ACCOUNTS/BLD.	434427	438061	439375										407495
2. ACCOUNTS/BAL.	140803	130048	136644										310577
3. ACCOUNTS/LPC	109053	97057	104465										\$2,099,874
4. LPC BILLED	\$771,117	\$644,292	\$684,465										\$2,099,874
5. CUM. LPC W/O ADJ.	\$771,117	\$1,415,409	\$2,099,874										\$6.76
6. AVG. LPC	\$7.07	\$6.64	\$6.53										

COIN	JAN.	FEB.	MAR.	APR.	MAY.	JUNE.	JULY.	AUG.	SEPT.	OCT.	NOV.	DEC.	YR. TOT.
1. ACCOUNTS/BLD.	10191	10585	11031										\$12,234
2. ACCOUNTS/BAL.	3936	4032	4266										\$9,690
3. ACCOUNTS/LPC	3122	3104	3464										\$24,501
4. LPC BILLED	\$6,603	\$8,215	\$9,683										\$24,501
5. CUM. LPC W/O ADJ.	\$6,603	\$14,818	\$24,501										2.33
6. AVG. LPC	\$2.11	\$2.65	\$2.80										
LPC ADJUSTMENTS	\$49,882	\$54,007	\$38,750										\$142,639
NET LPC	\$1,150,639	\$964,586	\$1,048,555										\$3,163,780
CUM. NET LPC	\$1,150,639	\$2,115,225	\$3,163,780										\$3,163,780

FLORIDA LATE PAYMENT CHARGE														AREA	FLORIDA
RESIDENCE	JAN.	FEB.	MAR.	APR.	MAY.	JUNE.	JULY.	AUG.	SEPT.	OCT.	NOV.	DEC.	YR. TOT.		
1. ACCOUNTS/BAL.							274786	549767	546359	570083	549800	592785	3483580		
2. ACCOUNTS/LPC							202487	397200	403389	418392	406476	461330	2289354		
3. LPC BILLED							8173,717	8331,910	8342,755	8359,051	8343,929	8402,737	81,954,099		
4. CUM. LPC W/O ADJ.							8173,717	8585,627	8848,382	81,207,433	81,551,362	81,954,099	81,954,099		
5. AVG. LPC							80.86	80.84	80.85	80.86	80.85	80.87	80.85		
BUSINESS	JAN.	FEB.	MAR.	APR.	MAY.	JUNE.	JULY.	AUG.	SEPT.	OCT.	NOV.	DEC.	YR. TOT.		
1. ACCOUNTS/BAL.							558273	121453	120590	126854	120838	137613	683171		
2. ACCOUNTS/LPC							45398	92844	94370	97390	91581	107339	528922		
3. LPC BILLED							8286,976	8649,129	8667,375	8706,118	8612,219	8715,318	83,637,135		
4. CUM. LPC W/O ADJ.							8286,976	8936,105	81,603,400	82,309,598	82,921,817	83,637,135	83,637,135		
5. AVG. LPC							86.32	86.99	87.07	87.25	86.69	86.66	86.88		
COIN	JAN.	FEB.	MAR.	APR.	MAY.	JUNE.	JULY.	AUG.	SEPT.	OCT.	NOV.	DEC.	YR. TOT.		
1. ACCOUNTS/BAL.							1368	2660	2645	3022	3201	3564	16460		
2. ACCOUNTS/LPC							1065	1981	1940	2231	2352	2843	12412		
3. LPC BILLED							81,180	82,313	85,182	82,961	83,601	85,026	820,183		
4. CUM. LPC W/O ADJ.							81,180	83,493	88,595	811,556	815,157	820,183	820,183		
5. AVG. LPC							81.11	81.17	82.63	81.33	81.53	81.77	81.63		
LPC ADJUSTMENTS							317	13735	31139	38535	37443	27262	148431		
NET LPC							8461,356	8969,617	8984,093	81,829,593	8922,366	81,095,819	85,662,986		
CUM. NET LPC							8461,356	81,431,173	82,415,266	83,446,861	84,367,167	85,662,986	85,662,986		

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4. 1986 Cost Study filed in Docket 870456

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FILED PSC 2-3-86



Southern Bell

666 N.W. 79th Avenue - Room 662
Miami, Florida 33126
Phone (305) 263-3744Joe M. Anderson, Jr.
Assistant Vice President - Regulatory Relations

February 3, 1986

Mr. Walter D'Haeseleer
Director, Communications Department
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32301

Dear Mr. D'Haeseleer:

Pursuant to Florida Statute 364.05, we are filing herewith revisions to our General Subscriber Service Tariff and Private Line Service Tariff. Following is a list of the pages affected:

General Subscriber Service Tariff

Section A2 - First Revised Page 14

Private Line Service TariffSection B2 - Contents - Third Revised Page 1
First Revised Page 7
Original Page 7.1

The purpose of these tariff revisions is to establish a Late Payment Charge to offset those expenses resulting from the late payment of customers' bills. A Late Payment Charge is an additional charge added to a customer's bill following failure to pay in full within a specified time.

In these tariff revisions, a 1.5% Late Payment Charge is applied on the accounts when the unpaid balance has not been paid by the next billing date. This charge will recover most of the costs from the customers who cause them rather than from the general body of rate payers.

The following attachments provide supporting and explanatory information about the proposed tariff revisions. These attachments constitute a comprehensive package that fulfills the basic requirements for supporting data specified in Rule 25-9.05.

February 3, 1986
Walter D'Haeseleer
Page 2

Attachment A - Executive Summary
Attachment B - Customer Effects
Attachment C - Revenue Information
Attachment D - Cost Information

Acknowledgement, date of receipt and authority number of this filing are requested. A duplicate letter of transmittal is attached for this purpose.

Your consideration and approval will be appreciated.

Yours very truly,

Assistant Vice President

Attachments

Southern Bell - Florida
Attachment A
Page 1 of 2

EXECUTIVE SUMMARY

Introduction

The purpose of these tariff revisions is to establish a Late Payment Charge to offset those expenses resulting from the late payment of subscribers' bills. This is also an attempt to correct an inequity caused by customers who pay late. The inequity is that presently the whole subscriber base bears the additional expense caused by the late payers. The implementation of a Late Payment Charge should encourage prompt payment, allowing us to avoid some of the expense that results from late payment. Thusly, more of the added expense will be placed on the customers who cause it. The Late Payment Charge is just one of the ways we are attempting to control our expenses in order to keep the price of basic telephone service as low as possible.

Description of Present Tariff

The present tariff does not address a Late Payment Charge on past due balances.

Description of Proposed Tariff

The proposed tariff applies a 1.5% Late Payment Charge to all Business and Residence telephone accounts when any unpaid balance on the previous month's bill has not been paid by the next billing date.

Revenue Information

Revenue Estimate from Late Payment Charges (LPC):

The estimated annual revenue increase after implementation of the Late Payment Charge Tariff is \$15,316,955 (See attachment C page 1). This estimated revenue total partially offsets the current \$18,948,733 (See attachment D page 10) cost associated with treatment.

Additional revenue information is included in Attachment C.

Southern Bell - Florida
Attachment A
Page 2 of 2

Cost Information

Resource Cost Methodology was used in the cost study submitted with this filing.

Implementation costs are \$342,267 (See attachment C page 1) and will include the following:

- Research and Development
- Mechanization
- Training Development
- Training

Annual ongoing expenses are \$386,489 (See attachment C page 1) and will come from the following areas:

- Bad Debt
- RSC/BSC
- Treatment Expense
- Interest Expense
- Comptrollers

Additional cost information is included in Attachment D.

Net Annual Revenue

\$14,588,199 for the 1st year
\$14,930,466 for the 2nd year*

Conclusion

This filing will allow Southern Bell to apply a 1.5% Late Payment Charge on the unpaid balances on customers' bills. Approval of this tariff will enable Southern Bell to cover most of the costs associated with late payments. It will also benefit the general body of rate payers since the Late Payment Charge will be applied to the cost causers.

* The Late Payment Charge revenues and expenses are expected to reduce approximately 50% when AT&T Communications (AT&T-C) takes over the billing of its own services during 1987.

Southern Bell - Florida
Attachment B
Page 1 of 1

CUSTOMER EFFECTS

The 1.5% Late Payment Charge will be applied to those accounts that have balances which have not been paid by the billing date.

The general body of rate payers will benefit from the Late Payment Charge since the charge is one attempt to keep the price of basic telephone service as low as possible.

The Late Payment Charge should encourage customers to pay the full amount of their bills on a timely basis.

Methods of customer notification prior to Implementation:

- Bill inserts (For Your Information - F.Y.I.) will be mailed out during the month the Late Payment Charge Tariff is effective. The bill inserts will define what Late Payment Charges are, and explain when they are applicable.
- During the following month after the effective date of the tariff, an advisory notice will be printed on customers' bills to remind them that Late Payment Charges will be assessed on those bills that are not paid in full by the next billing date.

Following the effective date of the tariff, customers will receive two bills before the Late Payment Charges actually begin appearing on their bills.

Southern Bell - Florida
Attachment C
Page 1 of 1

REVENUE ESTIMATE

The estimated annual revenue total resulting from the Late Payment Charge (LPC) Tariff is listed below:

Revenue

\$ 1,069,918,630
- 4.56%
\$ 1,021,130,341
x 1.5%
\$ 15,316,955

*Unpaid Live (Dec. '84 - Nov. '85)
**Reduction in Unpaid Live
Unpaid Live After LPC
LPC
Revenue from LPC

Cost

(\$ 342,267)

Developmental and Implementation
Expenses (see attachment D page 2)

(\$ 386,489)

Ongoing Annual Expenses (Annual)
(See attachment D page 2)

(\$ 728,756)

Total Cost

\$ 14,588,199

***Net Annual Revenue

- * The total amount of dollars remaining uncollected from bills and carried over in subsequent billing periods.
- ** Estimated reduction as a result of the implementation of the LPC.
- *** This revenue total partially offsets the current \$18,948,733 (see attachment D page 10) cost associated with treatment.

Southern Bell-Florida
Attachment D
Page 1 of 13

COST INFORMATION

Resource costs are the direct, forward-looking incremental costs associated with the provision of a particular service or rate element. The level of the cost may vary with the quantity of the service and the period under study. They include the direct costs of material and labor, the capital costs and directly assignable overhead costs. Cross-elastic effects are not included nor is any arbitrary allocation of common costs. In the 1983 Embedded Direct Analysis (EDA), common costs are about 5% of total costs.

The following pages provide additional detail of cost development.

Southern Bell - Florida
Attachment D
Page 2 of 13

LATE PAYMENT CHARGE - FLORIDA

COST SUMMARY

Development And Implementation Expenses

RSC/BSC	\$220,690
Comptrollers	\$120,952
ISS	<u>\$625</u>

Total Non-recurring Expenses \$342,267 (See attachment D page 5)

Ongoing Expenses (Annual.)

Bad Debt	\$339,620	(See attachment D page 9)
RSC/BSC	\$281,107	(" " " pages 11 & 13)
Treatment Expense	(\$189,488)	(" " " page 10)
Interest Expense	(\$130,102)	(" " " page 9)
Comptrollers	<u>\$ 85,352</u>	(" " " page 13)

Total \$386,489

Southern Bell - Florida
Attachment D
Page 3 of 13

ASSUMPTIONS

1. 4.56% Decrease in unpaid live
2. 1 day lag reduction
3. 8% cost of funds (short term)
4. 1% reduction in treatment expense
5. 1.5% Increase in bad debt expense

Southern Bell - Florida
Attachment D
Page 4 of 13

Development & Implementation Expenses:

RSC/BSC

R & D Procedures (prorated)	\$ 16,120
Mech Design "	2,529
Training Design "	5,058
Training Cost "	94,023
Printing & Distrib. of Materials	1,200
Additional contacts during negotiation	40,704
Additional contacts during implementation	<u>61,056</u>
Total RSC/BSC Development	\$220,690

Comptrollers (Programming)	\$ 2,008
(Bill Inserts)	<u>\$118,944</u>
Total Comptrollers	\$120,952

ISS (Tracking Program)	\$ 625
------------------------	--------

Total Development & Implementation Expenses	\$342,267
---	-----------

Southern Bell - Florida
Attachment D
Page 5 of 13

RSC/BSC IMPLEMENTATION COSTS:

1. Research & Development = \$16,120
2. Mech. Design = \$ 2,529
3. Training development = \$ 5,058
4. Training costs -

A. 1352 Non-Mgmt Empls. (1,074 RSC & 278 BSC)
x 2 hrs. training = $1,074 \times 2 \times \$29.15 = \$62,614$
= $278 \times 2 \times \$27.58 = \underline{\$15,334}$
\$77,948

B. 41 Mgrs. x 2 hrs. training = $41 \times 2 \times \$39.07 = \$ 3,204$
186 Asst. Mgrs. x 2 hrs. Training = $186 \times 2 \times \$34.60 = \$12,871$

Southern Bell - Florida
Attachment D
Page 6 of 13

Additional Business Office Negotiation Time During
Customer Notification (1 Month):

Average length of contact = 3 min. (.05 hrs.)
Add'l contacts = 15% of normal accts.
Current Billing contacts per month:

Res.	149,569
Bus.	<u>38,613</u>
Total	188,182

Residence

149,569 x 15%	= 22,435	Add'l contacts
	<u>x .05</u>	Hrs./contact
	1122	Hrs.
x \$ 29.15		Res. Svc. Rep. Rate/Hr.
	<u>\$32,706</u>	

Business

38,613 x 15%	= 5,792	Add'l contacts
	<u>x .05</u>	Hrs./contact
	290	Hrs.
x \$ 27.58		Bus. Svc. Rep. Rate/Hr.
	<u>\$ 7,998</u>	

Southern Bell - Florida
Attachment D
Page 7 of 13

Additional Business Office Negotiation Time
During Implementation (3 months):

Average length of contact = 3 minutes (.05 Hrs.)
Additional contacts = 7.5% of normal accounts.
Billing contacts per month:

Residence	149,569
Business	<u>38,613</u>
Total	188,182

Residence

149,569 x 7.5%	=	11,218
		<u>x .05</u>
		561
		<u>x \$ 29.15</u>
		\$16,353
		<u>x 3</u>
		\$49,059

Additional contacts
Hrs./contact
Hrs.
Res. Svc. Rep. Rate/Hr.
Per month
Months

Business

38,613 x 7.5%	=	2,896
		<u>x .05</u>
		145
		<u>x \$ 27.58</u>
		\$ 3,999
		<u>x 3</u>
		\$11,997

Additional contacts
Hrs./contact
Hrs.
Bus. Svc. Rep. Rate/Hr.
Per month
Months

Southern Bell - Florida
Attachment D
Page 8 of 13

Comptrollers Expense (Implementation):

Programming = \$2,008

Customer Bill Inserts

= 4,248,000

- For Your Information (F.Y.I.)

$\times \$.028 / \text{Insert}$
\$ 118,944

Total Comptrollers Implementation Expense

= \$ 120,952

Printing And Distribution of Training Material

= \$ 1,200

Southern Bell - Florida
Attachment D
Page 9 of 13

Net Bad Debt Increase:

\$ 22,641,332
x 1.5%
\$ 339,620

Net bad debt (Dec. '84 - Nov. '85)
Increase due to L.P.C.
Increase in net bad debt

Interest Expense Decrease:

\$1,069,918,630	Annual unpaid live + 12 mos. = \$89,159,886 monthly
\$ 89,159,886	Monthly unpaid live
x 4.56%	Reduction due to L.P.C.
\$ 4,065,691	Monthly reduction in unpaid live
30	Days per month
\$ 135,523	Daily reduction in unpaid live
x 1	Day - Lag reduction (Accel. Payment)
\$ 135,523	Monthly reduction in borrowed funds
x 12	Months
\$ 1,626,276	Annual reduction - borrowed funds
x 8%	Cost of funds (short term)
\$ 130,102	Annual reduced interest

Southern Bell - Florida
Attachment D
Page 10 of 13

Treatment Expense Reduction:

Current Expenses:

4,406,682
x \$ 4.30
18,948,733

Accounts treated annually
Treatment cost per account
Total current annual treatment costs

Proposed LPC Treatment Reduction

4,406,682
x 1%
44,067
x \$4.30
\$ 189,488

Accounts treated annually
Decrease in accounts treated
Treatment Cost per account
Reduction in annual treatment expense

Southern Bell - Florida
Attachment D
Page 11 of 13

Additional Inquiry Contacts (After Implementation):

1. Assume number of contacts will fall to 33 1/3% of level during Implementation (7.5%) or 2.5%
2. Average length of contact = 3 minutes (.05 hrs.)
3. Use same number of billing contacts per month

Residence

$$\begin{array}{rcl}
 149,569 \times 2.5\% & = & 3,739 \\
 & \times & .05 \\
 & & 187 \\
 & \times & \$ 29.15 \\
 & & \$ 5,451 \\
 & \times & 12 \\
 & & \$65,412
 \end{array}$$

Additional contacts
Hours/contact
Hours
Res. Svc. Rep. Rate/Hr.

Months

Business

$$\begin{array}{rcl}
 38,613 \times 2.5\% & = & 965 \\
 & \times & .05 \\
 & & 48 \\
 & \times & \$ 27.58 \\
 & & \$ 1,324 \\
 & \times & 12 \\
 & & \$15,888
 \end{array}$$

Additional contacts
Hours/contact
Hours
Bus. Svc. Rep. rate/Hr.

Months

Southern Bell - Florida
Attachment D
Page 12 of 13

Additional Adjustments

1. Assume 20% increase in adjustments (1st 6 mos., 5% thereafter)
2. Assume 8 minutes per call
3. Assume 3000 corrected bills each month in addition to item 1 above.
4. Assume comptrollers time of 3 1/2 minutes per adjustment and 1/2 minute per corrected bill.
5. Assume Svc. Reps. are involved on adjustments only, not corrected bills.

34,667 Adj/Mo. (estimated) x 20% Incr. =	6933	Adj/Mo. (1st 6 Mos.)
	<u>+3000</u>	Corr. Bill/Mo. (6 mos.)
	9933	Total Adj./Mo.
	<u>x 6</u>	Mos.
	59,598	Total Adj. (1st 6 mos.)

34,667 Adj/Mo. (estimated) x 5% Incr. =	1733	Adj/Mo. (2nd 6 mos.)
	<u>+3000</u>	Corr. Bill/Mo. (6 mos.)
	4733	Total Adj./Mo.
	<u>x 6</u>	Mos.
	28,398	Total Adj. (2nd 6 mos.)

Total Annual Adjustments = 51,996

Total Annual corrected bills = 36,000

Comptrollers Loaded Labor Rate = \$25.63/Hr.
Svc. Rep. (Res.) Loaded Labor Rate = \$29.15/Hr.
Svc. Rep. (Bus.) Loaded Labor Rate = \$27.58/Hr.

Southern Bell - Florida
Attachment D
Page 13 of 13

Comptrollers Expense (Annual):

51,996 Adj.	x	.0583 Hrs. (3 1/2 min.)	x	\$25.63	=	\$77,694
36,000 Corr. Bills	x	.0083 Hrs. (1/2 min.)	x	\$25.63	=	<u>\$ 7,658</u>
Total						= \$85,352

RSC/BSC Expense (Annual)

51,996 Adj. (41,326 Res. + 10,670 Bus.)

41,326	x	.1333 Hrs. (8 min.)	x	\$29.15	=	\$160,580
10,670	x	.1333 Hrs. (8 min.)	x	\$27.58	=	<u>\$ 39,227</u>
						\$199,807

SOUTHERN BELL TELEPHONE
AND TELEGRAPH COMPANY
FLORIDA

ISSUED: February 3, 1986

BY: W. H. Alford, Vice President
Miami, Florida

GENERAL SUBSCRIBER SERVICE TARIFF

First Revised Page 14
Cancels Original Page 14

EFFECTIVE: April 4, 1986

A2. GENERAL REGULATIONS

A2.4 Payment Arrangements and Credit Allowances (Cont'd)

A2.4.2 Credit and Deposits for Applicants (Cont'd)

F. Responsibility For Payment

The fact that a deposit has been made in no way relieves the applicant or subscriber from complying with the Company's regulations as to advance payments and the prompt payment of bills on presentation nor does it constitute a waiver or modification of the regular practices of the Company providing for the discontinuance of service for nonpayment of any sums due for service rendered.

A2.4.3 Payment for Service

- A. All charges due by the subscriber are payable at the Company's Business Office or at any agency duly authorized to receive such payments. Any objection to billed charges should be promptly reported to the Company. Adjustments to customers bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate.
- B. The subscriber shall pay monthly in advance or on demand all charges for service and equipment and shall pay on demand all charges for long distance service. The subscriber is responsible for payment of all charges for services furnished the subscriber, including charges for services originated or charges accepted at the subscriber's station.
 - 1. Effective November 10, 1982, a charge of \$10.00 will apply whenever a check or draft presented for payment for service is not accepted by the institution on which it is written.¹
- C. A Late Payment Charge of 1 1/2% applies to each customer's bill (including amounts billed in accordance with the Company's Billing and Collections Services Tariff) when the previous month's bill has not been paid in full prior to the next billing date. The 1 1/2% charge is applied to the total unpaid amount carried forward and is included in the total amount due on the current bill. (N)
- D. Should service be suspended for nonpayment of charges, it will be restored only as provided under "Restoration Charge" in Section A4. of this Tariff. (T)
- E. When the service has been disconnected for nonpayment, the service agreement is considered to have been terminated. Reestablishment of service may be made only upon the execution of a new service agreement which is subject to the provisions of this Tariff. (T)
- F. In its discretion, the Company may restore or reestablish service which has been suspended or disconnected for nonpayment of charges, prior to payment of all charges due. Such restoration or reestablishment shall not be construed as a waiver of any rights to suspend or disconnect service for nonpayment of any such or other charges due and unpaid or for the violation of the provisions of this Tariff; nor shall the failure to suspend or disconnect service for nonpayment of any past due account or accounts operate as a waiver or estoppel to suspend or disconnect service for nonpayment of such account or of any other past due account. (T)
- G. Bills for service shall not be considered delinquent prior to the expiration of fifteen days from the date of mailing or delivery by the company. However, the company may demand immediate payment under the following circumstances: (T)
 - 1. Where service is terminated or abandoned.
 - 2. Where toll service is two times greater than the subscriber's average usage as reflected on the monthly bills for the three months prior to the current bill or, in the case of a new customer who has been receiving service for less than four months, where the toll service is twice the estimated monthly toll service.
 - 3. Where the Company has reason to believe that a business subscriber is about to go out of business or that bankruptcy is imminent for that subscriber.

Note 1: Nonpayment of the charge in 1. above will not constitute sufficient cause for interruption or cancellation of service.

SOUTHERN BELL TELEPHONE
AND TELEGRAPH COMPANY
FLORIDA

PRIVATE LINE SERVICE TARIFF

Third Revised Page 1

Cancels Second Revised Page 1

ISSUED: February 3, 1986

EFFECTIVE: April 4, 1986

BY: Vice President
Miami, Florida

B2. REGULATIONS

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SOUTHERN BELL TELEPHONE
AND TELEGRAPH COMPANY
FLORIDA
ISSUED: February 3, 1986
BY: W. H. Alford, Vice President
Miami, Florida

PRIVATE LINE SERVICE TARIFF

First Revised Page 7
Cancels Original Page 7

EFFECTIVE: April 4, 1986

B2. REGULATIONS**B2.3 Obligations of the Customer (Cont'd)****B2.3.3 Transfer of Service**

Service previously furnished one customer may be assumed by a new customer upon due notice of cancellation or in case of abandonment, provided there is no lapse in service. Transfer of service charges are appropriate as set forth in A2. of the General Subscriber Service Tariff.

B2.4 Payment Arrangements and Credit Allowances**B2.4.1 Payment of Charges and Deposits**

- A. The customer is responsible for payment of all charges for services furnished the customer in accordance with the Company's regular billing and collection practice.
- B. Applicants for service who have no account with the Company or whose financial responsibility is not a matter of general knowledge, may be required to make an advance payment at the time an application for service is placed with the Company, equal to the service connection or installation charges, if applicable, and at least one month's charges for the service provided. In addition, where the furnishing of service involves an unusual investment, applicants may be required to make payment in advance of such portion of the estimated cost of the installation or construction as is to be borne by them. The amount of the advance payment is credited to the customer's account as applying to any indebtedness of the customer for the service furnished.
- C. The Company may, in order to safeguard its interests, require an applicant or customer to make such deposit as the Company deems suitable to be held by the Company as a guarantee of the payment of charges. The fact that a deposit has been made in no way relieves the applicant or customer from complying with the Company's regulations as to advance payments or the prompt payment of bills on presentation. At such time as the service is terminated the amount of the deposit is credited to the customer's account and any credit balance which may remain is refunded. At the option of the Company such a deposit may be refunded in all or part or credited to the customer at any time prior to the termination of the service. In case of a cash deposit, interest is paid at the rate of 6% per annum to begin and run from the date said deposit is made except that, no interest shall apply on a deposit unless the deposit and the service have been in existence for a continuous period of six months.
- D. The Company reserves the right to increase the deposit requirement when in its judgment the conditions justify such action.
- E. Effective November 10, 1982, a charge of \$10.00 will apply whenever a check or draft presented for payment for service is not accepted by the institution on which it is written.²
- F. A Late Payment Charge of 1 1/2% applies to each customer's bill when the previous month's bill (including amounts billed in accordance with the Company's Billing and Collections Services Tariff) has not been paid in full prior to the next billing date. The 1 1/2% charge is applied to the total unpaid amount carried forward and is included in the total amount due on the current bill.

(N)

B2.4.2 Cancellation for Cause

- A. The Company by written notice to the customer may immediately discontinue the furnishing of private line service without incurring any liability upon:
 1. Non-payment of any sum due the Company, or,
 2. A violation of any condition governing the furnishing of service.

Note 1: Above charge does not apply if transfer of service or reconnection of left in facilities is made coincident with transfer or connection of left-in exchange service for which service charges apply.

Note 2: Nonpayment of the charge in E. above will not constitute sufficient cause for interruption or cancellation of service.

SOUTHERN BELL TELEPHONE
AND TELEGRAPH COMPANY
FLORIDA
ISSUED: February 3, 1986
BY: W. H. Alford, Vice President
Miami, Florida

PRIVATE LINE SERVICE TARIFF

Original Page 7.1

EFFECTIVE: April 4, 1986

B2. REGULATIONS

B2.4 Payment Arrangements and Credit Allowances (Cont'd)

B2.4.3 Minimum Service Period and Fractional Rates and Charges

- A. The minimum period for which service is furnished is one month unless otherwise specified, except when the cost of special construction is such as to necessitate a longer contract period or where basic termination charges apply.

(M)

(M)

Material appearing on this page previously appeared on page 7 of this section

5. Order No. 17915, Issued 7/27/87 (approving late payment charge)

9TH CASE of Level 1 printed in FULL format.

In re: Review of Southern Bell Telephone and Telegraph
Company's Late Payment Charge

DOCKET NO. 870456-TL; ORDER NO. 17915

Florida Public Service Commission

1987 Fla. PUC LEXIS 709; 87-7 FPSC 300

1987 Fla. PUC LEXIS 709; 87-7 FPSC 300

July 27, 1987

PANEL:

[*1]

The following Commissioners participated in the disposition of this matter:
THOMAS M. BEARD; GERALD L. GUNTER; JOHN T. HERNDON; MICHAEL McK. WILSON

OPINION:

ORDER APPROVING LATE PAYMENT CHARGE

BY THE COMMISSION:

BACKGROUND

By tariff filed February 3, 1986, Southern Bell Telephone and Telegraph Company (Southern Bell or company) sought to impose a 1.5% late payment charge (LPC) on outstanding balances existing at the next billing date. Because a late payment charge had not been levied by any other investor-owned utility in Florida, we approved the tariff on an experimental basis for a one-year period to study its effects. See Order No. 16100, issued May 12, 1986. The charge took effect on June 16, 1986, and was scheduled to expire on June 16, 1987.

We re-examined this tariff at our June 9, 1987, Agenda Conference. Because certain customer and company impact information which we viewed as essential to an informed decision was not immediately available at that time, we found it appropriate to extend the expiration date of the tariff until September 1, 1987.

The matter came before the Commission again at the July 7, 1987, Agenda Conference at which Southern Bell provided the requested [*2] information. Based upon the information before us, we find the tariff to be in the public interest and approve same for the reasons discussed below.

DISCUSSION

Late payment by some customers results in increased expenses to the company. Annualized expenses in treating customer accounts amounted to \$22,596,049 for July 1986 through March 1987. This Commission has consistently taken action to place costs on the cost-causer rather than the general body of ratepayers. We see no reason for the general body of ratepayers to support late-paying customers. Although the revenue (\$12,178,964) generated by the late payment charge does not fully cover expenses, it does contribute towards those costs. The Commission may revisit the level of charge at some point in the future as more experience with the charge is gained.

Southern Bell's bills should clearly delineate the delinquent date of the bill and the date by which a late payment charge can be avoided. Southern Bell proposed to change the assessment date of the late payment charge from the next billing date to thirty days past the original bill date. Even though the proposal was for business and residential customers, this proposal [*3] was to address the concerns of the large user who desired more time between receipt of the bill and the assessment date of the LPC. However, we believe that the implementation of this proposal, which will not allow the charge to be placed on the next bill, will confuse the customer. We believe that any LPC assessed should appear on the customer's next bill to avoid customer confusion. This will prevent a customer paying late one month, getting a regular bill the next month and then the LPC appearing on the following bill.

Several implementation issues warrant discussion. Large users, defined by Southern Bell as those generating business above \$80,000 per year, have difficulty deciphering bills which are not specifically formatted for them. A large user may be faced with the choice of paying the bill in full and getting a later credit if problems or errors occur or to incur the LPC. The recently approved customized Large User Bill tariff should give large customers the ability to accurately check the bill, remit payment and avoid the late payment charge. We also require that Southern Bell implement a bill format to address the needs of the medium sized user within eighteen [*4] months of the date of this order.

Some residential customers, such as those on fixed incomes, may also not be able to avoid the LPC because of timing differences between telephone bills and income checks. We believe that customers should be given the option of changing their bill cycle to any other cycle than the first cycle of the month. Customers choosing this option will be assessed a secondary service order charge and a telephone number change charge. They will also be required to change their telephone number. The company must provide a bill insert notifying customers of this opportunity. The insert should explain that a secondary service order charge and telephone number change charge will apply and the customer's phone number will change.]

Another implementation issue concerns the application of the LPC to governmental entities. State governmental entities are subject to Section 215.422, Florida Statutes, which provides for a 1% late charge forty-five days after presentation of the bill. Thus state agencies will be governed by the statute rather than the tariff. The federal government is subject to the terms of the Prompt Payment Act, 39 USC @ 3901-06 (1985), which has [*5] been interpreted to require adherence to the terms of the tariff. See 63 Comp. Gen. 517 (1984). County and municipal governments are more problematic in that these entities may enact ordinances to alter liability for the LPC. Because of the administrative burden of constantly determining which local entity had an ordinance and which did not, we believe it appropriate to exempt county and municipal governmental entities from the LPC.

We approve this tariff without an offsetting reduction in revenue. The costs of collection exceed the revenues from the LPC. Projections on the amount generated here are not expected to place Southern Bell over its authorized return on equity. In the company's next rate case, these revenues can be used to cover general costs in lieu of rate increases. (

1987 Fla. PUC LEXIS 709, *5; 87-7 FPSC 300

Other companies may file tariffs to charge a late payment charge. We will address each tariff on a case-by-case basis. The requirements we have placed on Southern Bell will apply to petitioning companies. Such companies shall implement the LPC as does Southern Bell or adequately justify differing treatment. Therefore, based on the foregoing, it is

ORDERED by the Florida Public Service Commission [*6] that Southern Bell Telephone and Telegraph Company's tariff to implement a late payment charge is approved upon the terms and conditions stated in the body of this Order. It is further

ORDERED that this docket be closed.

By ORDER of the Florida Public Service Commission, this 27th day of July, 1987.

6. Staff Recommendation in Docket No. 000733-TL issued
June 29, 2000

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

FILE COPY - M-E-M-O-R-A-N-D-U-M-

DATE: JUNE 29, 2000

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYÓ)

FROM: DIVISION OF COMPETITIVE SERVICES (AUDU, SIMMONS) *SAS*
DIVISION OF LEGAL SERVICES (B. KEATING) *AK*

RE: DOCKET NO. 000733-TL - INVESTIGATION TO DETERMINE
WHETHER BELL SOUTH TELECOMMUNICATIONS, INC.'S TARIFF FILING
TO RESTRUCTURE ITS LATE PAYMENT CHARGE IS IN VIOLATION OF
SECTION 364.051, F.S.

AGENDA: 07/11/2000 - REGULAR AGENDA - TARIFF FILING - ALL
INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMP\WP\000733.RCM

CASE BACKGROUND

On July 9, 1999, BellSouth Telecommunications, Inc. (BST or the Company) filed a tariff with this Commission revising its Late Payment Charge (LPC) in Section A2 of its General Services Tariff (GST). Under this tariff filing, BST applies a LPC of \$1.50 for residential customers and \$9.00 for business customers plus an interest charge of 1.50% on unpaid balances in excess of \$6.00. Prior to ~~this~~ filing, BST applied a LPC of 1.50% to any unpaid balance greater than \$1.00.

BST's filing is presumptively valid, pursuant to Section 364.051 (6) (a), and the tariff filing became effective July 24, 1999. However, the actual tariff provisions became effective August 28, 1999.

DOCUMENT NUMBER-DATE

07928 JUN 29 8

FPSC-RECORDS/REPORTING

DOCKET NO. 000733-TL
DATE: JUNE 29, 2000

In August 1999, staff first expressed concerns to BST about its LPC tariff filing regarding possible statute violations. Staff was made aware of ongoing discussions between BST and the Office of Public Counsel (OPC) on this same filing. In view of the ongoing discussions between BST and OPC, BST requested that staff allow the negotiations to continue in an effort to resolve the matter. BST furnished staff with a letter stating that BST will provide refunds to affected customers if the LPC is ultimately found to be unlawful. Staff has not been informed of the results, if any, of the negotiations between BST and OPC.

On May 8, 2000, staff received a customer complaint regarding BellSouth's Late Payment Charge. After the receipt of this complaint, staff determined that a Commission decision on this tariff filing is appropriate, since the negotiations between OPC and BST have apparently not yielded any resolution.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission find that BST's GST filing of July 9, 1999, to restructure its late payment penalties is in violation of Section 364.051(6)(a), Florida Statutes?

RECOMMENDATION: Yes. The Commission should find that BST's GST filing of July 9, 1999, to restructure its late payment penalties is in violation of Section 364.051(6)(a), Florida Statutes, and should therefore be canceled immediately. Also, the Commission should require BST to provide refunds to all affected customers within 90 days of the issuance of the Consummating Order. Further, staff recommends that BST should file a report with the Commission upon completion of this refund showing monies that were collected from and refunded to customers. (AUDU, SIMMONS)

STAFF ANALYSIS:

On July 9, 1999, BST filed a tariff with this Commission to restructure its LPC in its GST. Under this tariff filing, BST applies a LPC of \$1.50 for residential customers and \$9.00 for business customers, plus an interest charge of 1.50% on any unpaid balances in excess of \$6.00. Prior to this filing, BST applied a LPC of 1.50% to any unpaid balance greater than \$1.00.

Since price-regulated LECs' non-basic services filings are presumptively valid and may go into effect fifteen (15) days after the filing, BST's filing became effective July 24, 1999, in accordance with Section 364.051(6)(a), F.S. The tariff provisions became effective August 28, 1999.

Chapter 364, Florida Statutes, allows local exchange companies to elect price regulation effective January 1, 1996. With the election of price regulation, the LEC is subject to certain guidelines, one of which pertains to the pricing of non-basic services. Section 364.051(6)(a), Florida Statutes, reads:

Each company subject to this section shall maintain tariffs with the commission containing the terms, conditions and rates for each of its non-basic services, and set or change, on 15 days' notice, the rate for each of its non-basic services, except that a price increase for any non-basic service category shall not exceed six percent within a twelve-month period until there is another provider

DATE: JUNE 29, 2000

providing local telecommunications service in an exchange area at which time the price for any non-basic service category may be increased in an amount not to exceed twenty percent within a twelve-month period, and the rate shall be presumptively valid.

BST has been a price-regulated local exchange company since January 1, 1996; therefore, BST is subject to Section 364.051, Florida Statutes. Until this filing, BST charged both residential and business customers a LPC of 1.50% on any unpaid balance greater than \$1.00. With this filing, BST has attempted to differentiate the two proposed late payment penalties for the purposes of the Miscellaneous Non-Basic Services basket. BST argues that the only portion of this late payment penalty that is subject to the Non-Basic Services Basket evaluation is the fixed rate of \$1.50 and \$9.00 for residential and business customers, respectively. BST contends that the 1.50% interest charge applicable to any unpaid balances in excess of \$6.00 is not subject to the Non-Basic Services monitoring. BST argues that either the 1.50% interest charge is a new service and should not be construed as a price increase, or that the interest charge is a "fee" and thus does not amount to a service. In either case, BST concludes that the revenue derived from the interest charge should not be included in the basket calculation.

Structure of BellSouth's LPC Tariff Filing

	Present Tariff	Proposed Tariff
Residential:		
-- Flat fee	0	\$1.50
-- % charge	1.50% (on unpaid balance greater than \$1.00)	1.50% (on unpaid balances greater than \$6.00)
Business:		
-- Flat fee	0	\$9.00
-- % charge	1.50% (on unpaid balance greater than \$1.00)	1.50% (on unpaid balances greater than \$6.00)

Upon review, staff believes that BST's tariff filing of July 9, 1999, is a price increase pursuant to Section 364.051(6)(a), Florida Statutes, and Order No. PSC-96-0012-FOF-TL issued on

January 4, 1996 in Docket No. 951159-TL, Investigation to determine categories of non-basic services provided by local exchange telephone companies. BST has assessed a 1.50% late payment penalty in the past, which has been termed a Charge. (See Order No. 17915, Docket No. 870456-TL) Now, BST is restructuring this late payment penalty into a "fixed-dollar" late payment penalty called a Late Payment Charge, and a "fixed-interest" late payment penalty called an interest charge. Staff does not believe that either of these rate elements constitutes a new service; instead, BST has merely introduced a new method of charging for late payments. BST alleges that the original 1.50% LPC was designed to recover a different set of costs. While it appears that BST did not fully recover the carrying costs resulting from customers who continue to pay late, staff cannot confirm what the original 1.50% LPC in Order No. 17915, issued on July 27, 1987, in Docket No. 870456-TL, was designed to recover or include.

In Order No. 17915, issued on July 27, 1987 in Docket No. 870456-TL, Review of Southern Bell Telephone and Telegraph Company's Late Payment Charge, this Commission approved a 1.50% LPC. In that proceeding, BST stated that the LPC was designed to offset those expenses resulting from late payments. The company supplied an analysis showing the estimated incremental revenue and estimated incremental expense associated with the late payment fee. BST indicated that there were incremental effects on five types of expenses. BST's analysis showed increases in bad debt, business office and comptrollers expenses, and reductions in processing and interest expenses. BST asserted that the LPC would enable BST to cover some of the costs associated with late payments. After reviewing the cost study, staff believes the LPC did not recover the interest expense associated with subscribers who continued to pay late. In the final analysis, however, staff does not believe the nature of the cost is germane. The key point from staff's perspective is that per BST's tariff, the old and new charges are for late payment of subscribers' telecommunications services.

Using BST's calculations in this filing, staff observes that the revenue impact of the "fixed-dollar" late payment penalty (i.e., \$1.50 LPC for residential and \$9.00 LPC for business customers) increases the Miscellaneous Services Basket by 5.01%. Staff notes that the revenue impact of the 1.50% interest charge (that BST argues should not be included in the Basket calculation) is approximately 10 times the fixed dollar LPC penalty. At this rate, staff believes that the effective price increase for the Miscellaneous Services Basket is in excess of 50%. Staff contends that absent the separation of these penalties as BST contends is appropriate, BST is clearly in violation of Section 364.051(6)(a),

Florida Statutes, and Order No. PSC-96-0012-FOF-TL, issued on January 4, 1996.

Revenue Impact of BST's LPC Tariff Filing

	Current Revenue (million)	Proposed Revenue (million)	Change in Revenue (million)
Rate Element			
1.50% LPC (applied to unpaid balance greater than \$1.00)	\$30.26	0	(\$30.26)
Flat Fee LPC (Res. & Bus.)	0	32.50	32.50
Sub-Total (per BST)			\$2.24
1.50% Interest Charge (applied to unpaid balance greater than \$6.00)	0	23.64	23.64
Grand Total	\$30.26	\$56.14	\$25.88

Staff agrees with BST that the revenue from new services is not initially included for purposes of basket monitoring. Further, it appears that BST did not fully recover the carrying costs resulting from customers who continue to pay late. BST indicates that this restructuring is intended to directly recover these costs from the cost causers. However, staff disagrees with BST that the purported interest charge is not a service, but rather a fee, for the purposes of the basket calculations. Staff believes that the 1.50% interest charge is financial compensation that BST receives from its late paying customers for carrying the customers' late payments resulting from subscribed telecommunications services. As such, staff believes that LPC is a derivative telecommunications service, since interest charges are assessed on subscribers' usage of telecommunication services. Section 364.02(11), Florida Statutes, states that "[S]ervice is to be construed in its broadest and most inclusive sense." Thus, the LPC should be construed as being a part of a telecommunications service. Staff further believes that BST's tariff restructuring to add another rate element (i.e., the percentage interest charge in addition to

DOCKET NO. 000733-TL
DATE: JUNE 29, 2000

the "fixed dollar" charge) cannot be construed to be the same as introducing a new telecommunications service. Thus, staff believes that the reclassified 1.50% interest charge (which was formerly the LPC) is an increase that results from late payment penalties, regardless of what this penalty is called, and should therefore be included in the basket calculation.

Based on the above arguments, staff concludes that these late payment penalties cannot be separated for purposes of compliance with Section 364.051(6)(a), Florida Statutes, and Order No. PSC-96-0012-FOF-TL. Clearly, the accompanying late payment interest charge (for whatever purpose it is targeted) is derived from the mere existence of unpaid balances that result from subscribers' use of regulated telecommunications services. These unpaid balances have been assessed a late payment charge (i.e., 1.5% on all outstanding balances in excess of \$1.00) in the past as some form of late payment penalty. Thus, staff recommends that the Commission should determine that BST's July 9, 1999, GST filing is an impermissible increase in violation of Section 364.051(6)(a), and order that this tariff be canceled immediately. Also, the Commission should require BST to provide refunds to all affected customers within 90 days of the issuance of the Consummating Order. Further, staff recommends that BST should file a report with the Commission upon completion of this refund showing monies that were collected from and refunded to customers.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: No. If no person whose substantial interests are affected files a protest within 21 days of the issuance date of the Order, the Order will become final upon the issuance of a Consummating Order. If a timely protest is not filed, the docket should remain open pending completion by BellSouth of the refund within 90 days of the issuance of the Consummating Order. Upon notification that the refund has been completed, this docket should be closed administratively. If a timely protest is filed, the tariff should remain in effect pending the outcome of further proceedings, with any revenues collected held subject to refund.
(B. KEATING)

STAFF ANALYSIS: If no person whose substantial interests are affected files a protest within 21 days of the issuance date of the Order, the Order will become final upon the issuance of a Consummating Order. If a timely protest is not filed, the docket should remain open pending completion by BellSouth of the refund within 90 days of the issuance of the Consummating Order. Upon notification that the refund has been completed, this docket should be closed administratively. If a timely protest is filed, the tariff should remain in effect pending the outcome of further proceedings, with any revenues collected held subject to refund.

7. Letter from M. Criser to B. Bayo of 7/6/00 re:
Late payment charge

BellSouth Telecommunications, Inc.
Suite 400
150 South Monroe Street
Tallahassee, Florida 32301-1556

850 224-7798
Fax 850 224-5073

Marshall M. Criser III
Regulatory Vice President

July 6, 2000

Mrs. Blanca S. Bayó
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: 000733-TL - Investigation into BellSouth's
Tariff on Late Payment Charge

Dear Ms. Bayo:

On June 29, 2000, the Staff issued a Recommendation in the above-captioned matter seeking a finding that BellSouth's restructured late payment charge and new interest charge were in violation of Section 364.051 (6)(a), Florida Statutes. BellSouth opposes this Recommendation for the reasons set forth herein.

In Order No. 17915, issued on July 27, 1987, the Commission approved a 1.5% late payment charge tariff filed by Southern Bell. The charge was imposed on outstanding balances existing at the next billing date. As noted in Order No. 17915, the purpose of the late payment charge was to contribute to the recovery of the expenses incurred by the Company in "treating customer accounts." Order No. 17915, p. 1. Specifically, the Staff Recommendation issued on May 28, 1987 in Docket No. 870456-TL, stated that the expenses intended to be covered by the late payment charge were those incurred by treating delinquent accounts and "generated by activities such as the business office making and receiving calls to delinquent customers." Staff Rec., Docket No. 870456-TL, p. 12. In other words, the late payment charge was an attempt to recover the costs associated with administering the collection process from the cost causers.

On July 7, 1999, BellSouth filed a tariff restructuring its late payment charge and adding a new interest charge. Specifically, BellSouth restructured its 1.5% late payment charge to a flat rate fee of \$1.50 for residence customers and \$9.00 for business. The tariff was further revised so that the late payment charge would apply only to past due accounts greater than \$6.00. A new charge of 1.5% was added as an interest charge to recover the cost of money associated with delinquent payments. The interest charge is applied only to past due accounts greater than \$6.00. The tariff was approved on July 24, 1999. Customers were given 30 days notice via their bills and the new rates were billed beginning August 28, 1999.

The gravamen of Staff's Recommendation in the above captioned matter is Staff's belief that the flat rate late payment charge and the new interest charge are commingled for purposes of determining BellSouth's compliance with the price increase statute (Section 364.051(6)(a), Florida Statutes and Order No. PSC-96-0012, FOF-TL issued on January 4, 1996 in Docket No. 951159-TL). Staff's belief is wrong.

Conversion of the existing late payment charge from a percentage to a flat rate does not exceed the allowable price increase and the late payment charge remains a charge to recover the administrative expenses of handling delinquent accounts. In addition, BellSouth has the authority to levy an interest charge to recover the carrying charges on money, so long as that charge complies with the appropriate usury laws. Section 687.02(1), Florida Statutes. The interest charge at issue is in compliance with Florida's statute. Staff cannot commingle two completely different charges, charges that recover completely different types of costs, and charges that are legitimate and reasonable based merely on the faulty reasoning contained in the Recommendation.

First, Staff is recommending that the entire tariff should be cancelled immediately and that all monies collected thereunder be refunded even though the restructure of the original late payment charge from a percentage to a flat fee does not exceed the non-basic miscellaneous basket. This was proven to the Staff by the price-out provided to the Commission erroneously dated May 23, 1999 (should have been dated May 23, 2000). Staff's recommendation should be limited to the interest charge only. Even if the Commission approves Staff's position on the new interest charge, which BellSouth opposes, the restructured late payment charge is appropriate and does not violate Section 364.051/(6)(a), Florida Statutes.

Second, Staff claims that the nature of the cost is not germane. Staff Rec., Docket No. 000733-TL, p.5. Staff is in error. The cost at issue here is the cost of money, not the cost associated with the collection of late payments which was the sole basis of BellSouth's existing late payment charge. See Order No. 17915 and Staff Rec., Docket No. 870456-TL, p. 12.

Third, Staff claims that the new interest charge is a derivative telecommunications service, Staff Rec., Docket No. 000733-TL, p. 6. Staff is in error. An interest charge is a fee, a fee that is for the use or detention of money. The interest fee is not associated with a particular service; it is governed solely by the monies owed. Moreover, the new interest charge cannot be "resold" in the sense that "telecommunication service" can be "resold". Therefore, it should not be included in any service category for purposes of Section 364.051(6), Florida Statutes.

In the alternative, Staff claims that the interest charge is not a new service. Staff cannot have it both ways. If the interest charge is a telecommunications service, as Staff claims and BellSouth denies, then it must be viewed as a new service not initially included for purposes of basket monitoring. The interest charge must be viewed as a new service because the nature of the interest charge is opposite of the late payment charge. As discussed above, the late payment charge was intended to recover the administrative costs associated with the collection of late payments. The interest charge is intended to recover BellSouth's loss of the use of money.

Fourth, the Staff claims that the restructured late payment charge and the new interest charge are essentially one and the same charge. Staff Rec., Docket No. 000733-TL, p. 7. Once again, Staff is in error. There are services provided by BellSouth that are connected, but are considered separate for purposes of the basket. For example, Privacy Director is a service that can only work if the customer has Caller ID. They are considered separately with regard to price increases. Moreover, these charges are an attempt by BellSouth to recover two very different kinds of expenses: (1) The cost of collections and (2) the cost of money. Even Staff noted that the original late

payment charge did not recover any interest expense. Staff Rec., Docket No. 000733-TL, p. 5. The term interest is defined as the compensation for the use or detention of money; the cost of hiring money. See Parker v. Brinson Const. Co., 78 So.2d 873 (1955) and 32 Fla. Jur. 2d, Section 1, p.9 (1994). The amount of 1.50% per month for interest is within the usury statute. Section 687.02(1), Florida Statutes. While there are no cases on point in Florida, other states have held that late payment charges for non-payment of bills from regulated utilities are not interest and therefore, the usury statute should not apply. See Rimco Enters, Inc. v. Texas Electric Service, 559 S.W. 2d 362, 365 (Tex. Ct. App. 1980), Guste v. Council of the City of New Orleans, 309 So.2d 290, 2926 (La. 1975).

Further, Staff's basis for its claim that the restructured late payment charge and the new interest charge are one and the same stems from the fact that they are assessed on delinquent customers. When the Staff was considering BellSouth's original late payment tariff, it reviewed other states' activities in this record. As indicated in Attachment D, page 2 of the Staff Recommendation filed on May 28, 1987 in Docket No. 870456-TL, it was noted that the Anchorage Telephone Utility charged a finance (interest) charge in addition to a late payment charge.

Fifth, it should be recognized that payment vel non of the restructured late payment charge and the new interest charge is strictly in the control of the customer. These charges are avoided if bills are paid timely. BellSouth notes that the impetus for the Staff Recommendation was a complaint from a business whose purpose is to process white pages directory listing bills from BellSouth to various advertisers. The nature of the complaint was that not enough time was allowed between receipt of the bill and the due date for this business to forward the bills to its customers for approval, have the customers return the approved bills, and pay the bills before late payment charges were incurred. Notwithstanding the fact that this business provides its customers with the opportunity to delay payments of their bills, BellSouth offered this business several alternatives, including changing the billing date, thereby changing the pay by date and setting up yearly billing. This business refused these options. From the limited Florida specific information BellSouth has on this business' accounts, the billing cycles are in compliance with Rule 25-4.110(3)(a), Florida Administrative Code and Section A2.4.3.G of BellSouth's General Subscriber Service Tariff.

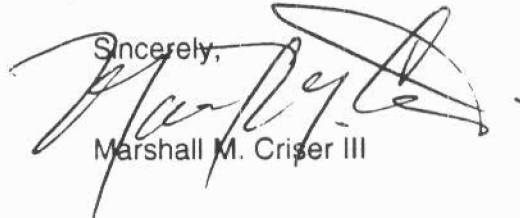
Sixth, BellSouth makes every effort to keep users on the local exchange network. BellSouth structured the tariff at issue specifically to exempt basic Lifeline customers from the requirement of paying the restructured late payment charge and the new interest charge by providing an exception for bills \$6.00 or less. Moreover, BellSouth remains committed to the requirements of Order No. 17915, issued on July 27, 1987, approving BellSouth's original late payment charge, in giving customers the option of changing their bill cycle to any other cycle than the first cycle of the month. In addition, **BellSouth has liberalized its deposit and installment payment policies.** The charges are not unreasonable. In order for a residential customer to realize a total of \$1.50 late payment charge, plus \$1.50 of interest for one month, the bill would have to total at least \$100.00.

Finally, BellSouth notes that this Commission has approved numerous late payment charges that are greater than those proposed by BellSouth. Specifically, the Commission approved a 5% late payment charge for Santa Villa Utilities, and a \$5.00 late payment charge for Crystal River Utilities, Inc., and Morningside Utility, Inc. See

Order No. 8157, issued on February 2, 1978; Order No. PSC-97-0187-FOF-WU, issued on February 18, 1997; and Order No. PSC-98-1585-FOF-WU, issued on November 25, 1998. In addition, an informal review by BellSouth of Florida price lists for Alternative Local Exchange Companies ("ALECs") reveals a \$10.00 late payment charge by Coral Bay Financial, Inc.; a \$10.00 penalty fee by International Design Group, Inc., d/b/a USA Telecom; a \$25.00 late payment charge by AMAFLA Telecom, Inc., and WAMnet Communications, Inc.; and a 5% late payment charge by My-Tel, Inc. If the Commission determines that BellSouth's interest charge and late payment charge are one and the same, then the Commission may have to examine the fees previously approved for all utilities for possible violation of the maximum interest allowed by Florida usury laws.

BellSouth asserts that Staff's reasoning in the Recommendation filed on June 29, 2000 in Docket No. 000733-TL is flawed for the reasons set forth herein, and, therefore, respectfully requests the Commission to reject the Recommendation.

Sincerely,

A handwritten signature in dark ink, appearing to read "Marshall M. Criser III", is written over the typed name.

Marshall M. Criser III

cc: Chairman J. Terry Deason
Commissioner Susan E. Clark
Commissioner E. Leon Jacobs
Commissioner Lila J. Jaber
Ms. Beth Keating
Ms. Sally Simmons
Mr. Charles Beck

PC Docs 218862

8. August 13, 1999 letter from N. Sims to W. D'Haeseleer



BellSouth Telecommunications, Inc. 850 222-1201
400 Fax 850 222-8640
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director - Regulatory Relations

August 13, 1999

Mr. Walter D'Haeseleer
Director, Division of Communications
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Subject: Tariff Filing by BellSouth Telecommunications, Inc. No. T991139

Dear Walter,

As per our discussion, I understand that there is a need for further review of BellSouth's late payment charge and interest charge tariff that was filed on July 9, 1999. This tariff became effective on July 24, 1999, and customer notices have been sent to apply the new charges on delinquent bills beginning August 28, 1999.

BellSouth hopes that we can resolve any questions or concerns regarding this tariff and looks forward to working with you and your Staff. If it is determined that the tariff is not in compliance with the state statutes, BellSouth will make the appropriate refunds.

Yours truly,

A handwritten signature in dark ink, appearing to read "Nancy H. Sims".

Director - Regulatory Relations

Copy to: Charlie Beck
Nancy White
Jonathan Adu
Beth Keating

9. Order No. PSC-00-1357-PAA-TL, issued July 27, 2000

Decision due by 8/17/00

RECEIVED

JUL 28 2000

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION VIA FAX - REG. RELATIONS
TALLAHASSEE, FL

In re: Investigation to
determine whether BellSouth
Telecommunications, Inc.'s tariff
filing to restructure its late
payment charge is in violation of
Section 364.051, F.S.

DOCKET NO. 000733-TL
ORDER NO. PSC-00-1357-PAA-TL
ISSUED: July 27, 2000

The following Commissioners participated in the disposition of
this matter:

J. TERRY DEASON, Chairman
SUSAN F. CLARK
E. LEON JACOBS, JR.
LILA A. JABER

NOTICE OF PROPOSED AGENCY ACTION
ORDER FINDING TARIFFS IN NON-COMPLIANCE

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

On July 9, 1999, BellSouth Telecommunications, Inc. (BST or the Company) filed tariff revisions with this Commission revising its Late Payment Charge (LPC) in Section A2 of its General Subscriber Service Tariff (GSST) and in Section B2 of its Private Line Services Tariff (PLST). Under the revisions, BST applies a LPC of \$1.50 for residential customers and \$9.00 for business customers plus an interest charge of 1.50% on unpaid balances in excess of \$6.00. Prior to this filing, BST applied a LPC of 1.50% to any unpaid balance greater than \$1.00.

Because price-regulated local exchange companies' (LECs) non-basic services filings are presumptively valid and may go into effect fifteen (15) days after the filing, BST's filing became effective July 24, 1999, in accordance with Section 364.051(6)(a), Florida Statutes. The tariff provisions became effective August 28, 1999.

In August 1999, our staff first expressed concerns to BST about its LPC tariff revisions. Our staff was concerned that the filings appeared to conflict with provisions of Chapter 364,

22 3174

Florida Statutes. Our staff was subsequently made aware of ongoing discussions between BST and the Office of Public Counsel (OPC) on this same filing. In view of the ongoing discussions between BST and OPC, BST asked that the negotiations be allowed to continue in an effort to resolve the matter. BST furnished our staff with a letter stating that BST would provide refunds to affected customers if the LPC is ultimately found to be unlawful. To date, however, our staff has not been informed of the results, if any, of the negotiations between BST and OPC.

On May 8, 2000, our staff received a customer complaint regarding BellSouth's Late Payment Charge. In view of the receipt of this complaint, we have moved forward with consideration of these tariff filings, because the negotiations between OPC and BST have apparently not yielded any resolution.

Chapter 364, Florida Statutes, allows LECs to elect price regulation effective January 1, 1996. With the election of price regulation, the LEC is subject to certain guidelines, one of which pertains to the pricing of non-basic services. Section 364.051(6)(a), Florida Statutes, reads:

Each company subject to this section shall maintain tariffs with the commission containing the terms, conditions and rates for each of its non-basic services, and set or change, on 15 days' notice, the rate for each of its non-basic services, except that a price increase for any non-basic service category shall not exceed six percent within a twelve-month period until there is another provider providing local telecommunications service in an exchange area at which time the price for any non-basic service category may be increased in an amount not to exceed twenty percent within a twelve-month period, and the rate shall be presumptively valid.

BST has been a price-regulated LEC since January 1, 1996; therefore, BST is subject to Section 364.051, Florida Statutes. Until this filing, BST charged both residential and business customers a LPC of 1.50% on any unpaid balance greater than \$1.00. With these revisions, BST has attempted to differentiate the two proposed late payment penalties for the purposes of the Miscellaneous Non-Basic Services basket. BST argues that the only portion of this late payment penalty that is subject to the Non-Basic Services Basket evaluation is the fixed rate of \$1.50 and \$9.00 for residential and business customers, respectively. BST contends that the 1.50% interest charge applicable to any unpaid

balances in excess of \$6.00 is not subject to the Non-Basic Services monitoring. BST argues that either the 1.50% interest charge is a new service and should not be construed as a price increase, or that the interest charge is a "fee" and thus does not amount to a service. In either case, BST concludes that the revenue derived from the interest charge should not be included in the basket calculation.

Structure of BellSouth's Previous and Current LPC Tariff Filings

	<u>Present Tariffs</u>	<u>Proposed Tariffs</u>
Residential:		
-- Flat fee	0	\$1.50
-- % charge	1.50% (on unpaid balance greater than \$1.00)	1.50% (on unpaid balances greater than \$6.00)
Business:		
-- Flat fee	0	\$9.00
-- % charge	1.50% (on unpaid balance greater than \$1.00)	1.50% (on unpaid balances greater than \$6.00)

Upon review, we find that BST's tariff filings of July 9, 1999, are a price increase pursuant to Section 364.051(6)(a), Florida Statutes, and Order No. PSC-96-0012-FOF-TL issued on January 4, 1996 in Docket No. 951159-TL, Investigation to Determine Categories of Non-Basic Services Provided By Local Exchange Telephone Companies. We note that BST has assessed a 1.50% late payment penalty in the past, which has been termed a Charge. See Order No. 17915, Docket No. 870456-TL. Now, BST is restructuring this late payment penalty into a "fixed-dollar" late payment penalty called a Late Payment Charge, and a "fixed-interest" late payment penalty called an interest charge. We do not consider either of these rate elements a new service. Instead, it appears to us that BST has merely introduced a new method of charging for late payments, even though BST contends that the original 1.50% LPC was designed to recover a different set of costs. We emphasize that while it appears that BST did not fully recover the carrying costs resulting from customers who continue to pay late under its prior late payment tariff, Order No. 17915, issued on July 27, 1987, in Docket No. 870456-TL, does not clearly define what costs were to be recovered or included in the original 1.50% LPC.

In Order No. 17915, this Commission approved a 1.50% LPC. In that proceeding, BST stated that the LPC was designed to offset those expenses resulting from late payments. The company supplied an analysis showing the estimated incremental revenue and estimated incremental expense associated with the late payment fee. BST indicated that there were incremental effects on five types of expenses. BST's analysis showed increases in bad debt, business office and comptroller's expenses, and reductions in processing and interest expenses. BST asserted that the LPC would enable it to cover some of the costs associated with late payments. After reviewing the cost study submitted in that prior proceeding, our staff has concluded that the LPC apparently did not recover the interest expense associated with subscribers who continued to pay late. In the final analysis, however, we do not believe the nature of the cost is germane. Regardless of how characterized or packaged, both the old and new late payment charges are for late payment of subscribers' telecommunications services.

Using BST's calculations in this filing, the revenue impact of the "fixed-dollar" late payment penalty (i.e., \$1.50 LPC for residential and \$9.00 LPC for business customers) increases the Miscellaneous Services Basket by 5.01%. The revenue impact of the 1.50% interest charge is approximately 10 times the fixed dollar LPC penalty. At this rate, the effective price increase for the Miscellaneous Services Basket is in excess of 50%. Absent the separation of these penalties, BST's tariff filings appear to be in violation of Section 364.051(6)(a), Florida Statutes, and Order No. PSC-96-0012-FOF-TL, issued on January 4, 1996.

Revenue Impact of BST's Previous and Current LPC Tariff Filings

	<u>Current Revenue (million)</u>	<u>Proposed Revenue (million)</u>	<u>Change in Revenue (million)</u>
Rate Element			
1.50% LPC (applied to unpaid balance greater than \$1.00)	\$30.26	0	(\$30.26)
Flat Fee LPC (Res. & Bus.)	0	32.50	32.50
Sub-Total (per BST)			\$2.24
1.50% Interest Charge (applied to unpaid balance greater than \$6.00)	0	23.64	23.64
Grand Total	\$30.26	\$56.14	\$25.88

We do agree with BST that the revenue from new services is not initially included for purposes of basket monitoring. Further, as we have noted herein, it appears that BST did not fully recover the carrying costs resulting from customers who continue to pay late. BST indicates that this restructuring is intended to directly recover these costs from the cost causers. Nevertheless, we disagree with BST that the purported interest charge is not a service, but rather a fee, for the purposes of the basket calculations. The 1.50% interest charge is financial compensation that BST receives from its late paying customers for carrying the customers' late payments resulting from subscribed telecommunications services. As such, the LPC is a derivative telecommunications service, since interest charges are assessed on subscribers' usage of telecommunication services. Section 364.02(11), Florida Statutes, states that "[S]ervice is to be construed in its broadest and most inclusive sense." Thus, the LPC should be construed as being a part of a telecommunications service. Further, BST's tariff restructuring to add another rate element, the percentage interest charge, cannot be construed to be the same as introducing a new telecommunications service. Thus, we find that the reclassified 1.50% interest charge is an increase that results from late payment penalties, regardless of what this

ORDER NO. PSC-00-1357-PAA-TL
DOCKET NO. 000733-TL
PAGE 6

penalty is called, and shall, therefore, be included in the basket calculation.

Based on the foregoing, we find that BST's late payment penalties cannot be separated for purposes of compliance with Section 364.051(6)(a), Florida Statutes, and Order No. PSC-96-0012-FOF-TL, because the accompanying late payment interest charge is derived from the mere existence of unpaid balances that result from subscribers' use of regulated telecommunications services. Thus, we find that BST's July 9, 1999, GSST and PLST filings are an impermissible increase in violation of Section 364.051(6)(a), Florida Statutes. The tariffs shall, however, be allowed to remain in effect for 30 days following the issuance of this Order. If a protest of this decision is filed within the 21-day protest period by a person whose substantial interests are affected, then the tariffs will remain in effect pending the outcome of a hearing with any revenues resulting from the tariff held subject to refund. If a timely protest is not filed and this Order becomes final, BST will have the remainder of the 30 days to file revised tariffs in compliance with this Order. Upon such filing, a determination will be made as to the appropriate refund amount.

It is therefore

ORDERED by the Florida Public Service Commission that BellSouth Telecommunications, Inc.'s July 9, 1999, tariff filings revising its Late Payment Charge in Section A2 of its General Subscriber Service Tariff and Section B2 of its Private Line Services Tariff are in violation of Section 364.051(6)(a), Florida Statutes. It is further

ORDERED that the tariffs shall remain in effect for 30 days from the issuance of this Order. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that if a timely protest of this Order is filed, then the tariffs will remain in effect pending the outcome of a hearing with any revenues resulting from the tariff held subject to refund. It is further

ORDER NO. PSC-00-1357-PAA-TL
DOCKET NO. 000733-TL
PAGE 7

ORDERED that if a timely protest is not filed and this Order becomes final, BellSouth Telecommunications, Inc. shall have the remainder of the 30 days to file revised tariffs in compliance with this Order. A determination as to the appropriate refund amount will be rendered subsequently. It is further

ORDERED that in the event this Order becomes final, this Docket shall remain open pending the filing of the revised tariffs and the determination of the appropriate refund amount.

By ORDER of the Florida Public Service Commission this 27th day of July, 2000.

/s/ Blanca S. Bayó
BLANCA S. BAYÓ, Director
Division of Records and Reporting

This is a facsimile copy. A signed copy of the order may be obtained by calling 1-850-413-6770.

(S E A L)

BK

ORDER NO. PSC-00-1357-PAA-TL
DOCKET NO. 000733-TL
PAGE 8

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on August 17, 2000.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

10. Order PSC-96-1545-FOF-TP, issued December 19, 1996

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for)	DOCKET NO. 960355-TP
Declaratory Ruling, Institution)	ORDER NO. PSC-96-1545-FOF-TP
of Rulemaking Proceedings, and)	ISSUED: December 19, 1996
Injunctive Relief, Regarding)	
Intrastate Telecommunications)	
Services Using the Internet, by)	
America's Carriers)	
Telecommunication Association)	
_____)	

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

ORDER DENYING PETITION FOR DECLARATORY RULING,
INSTITUTION OF RULEMAKING AND INJUNCTIVE RELIEF

BACKGROUND

By the Commission:

On March 19, 1996, America's Carriers Telecommunication Association (ACTA) filed a Petition for Declaratory Ruling, Institution of Rulemaking and Injunctive Relief. ACTA is an association of interexchange telecommunications companies. Specifically, ACTA asked that we 1) issue a declaratory ruling establishing our authority over intrastate telecommunications services using the Internet; 2) issue a temporary injunction to immediately stop the sale of Internet telephony software in Florida pending the software manufacturers' compliance with Florida laws; and 3) institute rulemaking proceedings defining permissible intrastate communications over the Internet.¹

¹ On March 4, 1996, ACTA filed essentially the same petition with the FCC. On March 8, 1996, the FCC issued a public notice seeking comment on ACTA's petition. Comments to the FCC were filed on May 8, 1996; reply comments were filed June 8, 1996. Certain information contained in those comments is referred to in n. 2, infra.

ACTA's petition concerns software manufacturers who provide software with which users can make free or nearly free toll calls through their computer. Purchasers of the software may pay for it initially (in some cases, the software is paid for through advertising and provided to the user at no charge), but the purchaser pays no further charges to the software manufacturer. The only other charges paid are to the user's Internet provider and telephone company; however, such charges are not specific to Internet telephony, but rather are general usage charges.

ACTA's argument in support of its request begins with the assertion that the software manufacturers in question are intrastate telecommunications companies and are therefore subject to state regulation. ACTA cites the following provisions of the Florida Statutes:

"Telecommunications company" includes every corporation, partnership, and person... offering two-way telecommunications service to the public for hire within this state by the use of a telecommunications facility. (364.02(12), Florida Statutes)

"Telecommunications facility" includes real estate, easements, apparatus, property, and routes used and operated to provide two-way telecommunications service to the public for hire within this state. (364.02(1), Florida Statutes)

ACTA further claims that the software companies violate Section 364.08(2):

A telecommunications company subject to this chapter may not, directly or indirectly, give any free or reduced service between points within this state. (Sec. 364.08(2), Florida Statutes)

ACTA points out that its own members are "required to pay, directly or indirectly, various fees and charges in order to render their services to the public." (Petition, p. 2) Further, ACTA states that interexchange carriers must assess "specific charges within their rates to support various regulatory policies and programs used to sustain and advance state and national goals for telecommunications." (Petition, p. 2)

ACTA argues that the software manufacturers are not subject to the same statutory and regulatory requirements as its members, and therefore

distort the economic and public interest environment in which ACTA carrier members and nonmembers must operate. Continuing to allow such entities to operate without complying with or being subject to the same legal and regulatory requirements as ACTA carrier members threatens the continued viability of ACTA's members and their ability to serve the public and acquit their public interest obligations under Florida law. (Petition, p. 2-3)

ACTA asserts that "it is incumbent upon the Commission to exercise jurisdiction over the use of the Internet for unregulated intrastate telecommunications services. As a first step, ACTA submits that the Commission may deem it appropriate to issue a declaratory ruling officially establishing its interest in and authority over intrastate telecommunications services using the Internet". (Petition, p. 4) Additionally, ACTA requests that the FPSC "ask the circuit court to temporarily enjoin the Respondents from arranging for, implementing, and marketing non-tariffed, uncertified telecommunications services without first complying with applicable provisions of Florida law and regulations, to include Florida Statutes Sec. 364.04, 364.08, and 364.33." Petition, p. 5)

ACTA's final request is that the Commission

examine and adopt rules, policies and regulations governing the uses of the Internet for the provisioning of telecommunications services. The use of the Internet to provide telecommunications services has an impact on the traditional means, methods, systems, providers, and users of telecommunications services. The unfair competition created by the current unregulated bypass of the traditional means by which local and long distance services are sold could, if left unchecked, eventually create serious economic hardship on all existing participants in the traditional telecommunications marketplace and the public which is serviced by those participants. Ignored, such unregulated operations will rapidly grow and create a far more significant and difficult to control "private" operational enclave of telecommunications providers and users.

ACTA's argument in support of its position that we have jurisdiction in this matter centers on the notion that this is a new technology, and although heretofore unregulated, is

nevertheless subject to regulation. ACTA cites United States v. Southwestern Cable Co., 392 U.S. 157 (1968), in which the U.S. Supreme Court found that regulatory authority over cable television was necessary if the FCC was to perform its other responsibilities. ACTA submits that, similarly, we must exercise jurisdiction over Internet telephony.

ACTA concludes:

The Commission should take action in order to preserve fair competition and the health of the Florida's [sic] telecommunications industry. Absent a healthy industry, with users paying telecommunications companies a fair price for telecommunications services, the Commission's duty to effectively promote universal service cannot be achieved. Absent action by the Commission, the new technology could be used to circumvent restrictions traditionally found in tariffs concerning unlawful uses, such as gambling, obscenity, prostitution, drug traffic, and other illegal acts. (Petition, p. 7-8).

DISCUSSION

The critical issue to be addressed here is whether the manufacture and sale of software to be used on the Internet constitutes "telecommunications services for hire". Failing that, the other issues presented become moot. We believe that the sale of the software in question is not the provision of two-way telecommunications services to the public for hire. In fact, the software manufacturers are not providing service. What is being provided is more closely akin to customer premises equipment (CPE). A brief explanation of how the software works is needed to understand its function in the process of Internet telephony.

In order for the software to function, the user must first subscribe to other service providers, including a local exchange company (LEC), and an Internet Service Provider (ISP). Through a modem, the user first dials the ISP's telephone number to obtain Internet access. Such connection is generally achieved through local access on the part of both the user and the ISP. In the case of the ISP, this is often a business line. Once connected, the user can contact other users through the telephony software. The person receiving the call must be connected to an ISP and have the telephony software running at the time the call is placed. Additionally, the users at both ends must have a sound card, a microphone, and speakers (alternatively, a headset).

Assuming these conditions have been met, the sender speaks into the microphone attached to the personal computer. The soundcard digitizes the signal, and then the telephony software compresses the voice signal and converts it into packets. The packets are sent through the modem to the ISP, and routed through the ISP's equipment over the Internet. At the receiving end, the process is reversed, and the sound comes out over the speakers.

It is clear from this description that the use of telephony software is not the same as the provision of two-way telecommunications services to the public for hire, as defined in the above-cited Florida Statutes. The purpose of the software is to convert the voice signal into a form that can be transmitted over the Internet. Such transmission is actually accomplished through a combination of services provided by the LEC and the ISP (in some cases, also an IXC). The software manufacturers provide no facilities for transmission, nor do they resell transmission over the facilities of other carriers.

If the software is considered to be an enhancement of the customer's CPE, and therefore is treated in a like manner for regulatory purposes, it must be noted that the provision of CPE is not regulated by this Commission, nor by the FCC. In its Computer II inquiry, the FCC found that "[t]he offering of customer-premises equipment is not a common carrier activity and is severable from the provision of common carrier transmission services". Additionally, it was determined that "equipment, by itself, is not a 'communication' service..." (Computer II, 77 F.C.C. 2d 384, 1980)

Further, the FCC recognized that telecommunications service is no longer just 'plain old telephone service' to the user. A subscriber may use telephone service to transmit voice or data. Both domestic and international networks allow for voice and data use of the same communications path. Thus, in providing a communications service, carriers no longer control the use to which the transmission medium is put. More and more the thrust is for carriers to provide bandwidth or data rate capacity adequate to accommodate a subscriber's communications needs, regardless of whether subscribers use it for voice, data, video, facsimile, or other forms of transmission. (id.)

Related Matters

Although not the subject of ACTA's petition, it is significant that experiments are currently being conducted to

provide a "gateway" which allows users to make Internet telephony calls through the telephone. Under this scenario, specialized "gateways" may be located at a local Internet telephony provider's (ITP's) premises. The user accesses the provider by telephone and is connected to the gateway. The voice signal is digitized and compressed and formed into packets for switching over the Internet. Again, the process operates in reverse at the receiving end, with the data converted into voice and the call completed over the public switched network. Calls can only be made to localities with a gateway provider. The Internet telephony provider may, or may not, be the software provider. However, as noted, this is not the subject of ACTA's petition as filed. The matter is addressed here to make it clear that such provisions of service may be treated differently for regulatory purposes than the mere provision of software.

Additionally, while not the subject of ACTA's petition, numerous issues were raised in comments to the FCC. Notably, the exemption from payment of access charges currently enjoyed by the ISPs was discussed at length by many of the parties. We have addressed this matter below. N. 2, infra.

We conclude that the manufacture and sale of software to be used on the Internet does not constitute the provision of telecommunications services as defined by Florida Statute. Rather, such software is more akin to CPE, which is not regulated by this Commission. The software manufacturer provides no transmission services under the current provisioning scheme; in fact, transmission services are provided by other parties, including LECs. Therefore, it is inappropriate to grant ACTA's request as filed. We therefore deny ACTA's petition for declaratory ruling, and deny the further relief requested as moot.

In addition, we also conclude that workshops are necessary to investigate issues raised during the course of this proceeding, particularly those issues which may impact universal service. Such issues should not be limited to Internet telephony, but may concern Internet usage in general.

It is of particular importance that we evaluate the potential impact of Internet usage on universal service, 911, and any other such issues that are of major concern to the citizens of Florida. We must be certain that vital services are not jeopardized by Internet traffic.²

² A study provided by ACTA describes the process by which those services may be impacted. The most common interconnection

arrangement is to use the existing DDD network to provide dial-in access to an analog "modem pool" for those customers who can reach the hub central office on a local call basis. The ISP's subscribers dial in to the lead number of the multiline hunt group serving the ISP, and the DDD network makes the connection.

According to the study, the heaviest concentrations of traffic loads are occurring in the central offices that serve the ISPs. The usage is measured in "hundred call seconds" (CCS) on an hourly basis. There are 3600 seconds per hour, or 36 CCS if the line is used continuously during the hour. The following table shows the results of the study.

SAMPLE SEGMENT	AVERAGE PEAK HOUR CCS	PEAK HOUR FOR SEGMENT
ISPs on business service	26 CCS	11:00 PM
ISPs on PRI (primary rate interface)	28 CCS	10:00 PM
Business Customers with MLHG*	12 CCS	5:00 PM
Office average (entire central office)	3 CCS	4:00 PM

*Multiline Hunt Group

The conclusion drawn was that:

At the traffic levels they are generating, we estimate that the overall traffic loads on the local network would double if only a 15% penetration of households were connected to the Internet. Stated another way, if just 15% of households went on line to the Internet at one time and had a call hold time of one hour, it would double the capacity demanded. The reason is that 15% of households on line for an hour has the same effect as 100% of households making a nine minute call in that same hour (5 CCS). With on-line data services a relatively small user group can stress the network in ways which have not previously occurred, and were not contemplated in designing the network. (ACTA exhibit, p. 4)

The results reported are increases in trouble reports, problems with dial tone delay, and other problems which are attributed to the heavy traffic of ISPs. Resolution of the

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DOCKET NO. 960355-TP
PAGE 8

In view of the above, it is

ORDERED by the Florida Public Service Commission that America's Carriers Telecommunications Association's Petition for Declaratory Ruling, Institution of Rulemaking and Injunctive Relief is denied. It is further

ORDERED that this docket is closed.

By ORDER of the Florida Public Service Commission this 19th day of December, 1996.

/s/ Blanca S. Bayo
BLANCA BAYO, Director
Division of Records and Reporting

This is a facsimile copy. A signed copy of the order may be obtained by calling 1-904-413-6770.

(S E A L)

RCB

problem in one central office was at a reported cost of \$2 million for labor and equipment. The cost was reportedly five times the normal cost per line for office equipment. At the same time, revenues generated by the ISP totaled about \$20,000 per month.

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Civil Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.

11. Order PSC-99-0825-FOF-TP, issued April 22, 1999

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Complaint of AGI
Publishing, Inc. d/b/a Valley
Yellow Pages against GTE
Florida Incorporated for
violation of Sections 364.08
and 364.10, Florida Statutes,
and request for relief.

DOCKET NO. 990132-TP
ORDER NO. PSC-99-0825-FOF-TP
ISSUED: April 22, 1999

The following Commissioners participated in the disposition of
this matter:

JOE GARCIA, Chairman
J. TERRY DEASON
SUSAN F. CLARK
JULIA L. JOHNSON
E. LEON JACOBS, JR.

ORDER GRANTING MOTION TO DISMISS

BY THE COMMISSION:

BACKGROUND

On February 5, 1999, AGI Publishing, Inc. d/b/a Valley Yellow Pages (Valley) filed a complaint with this Commission against GTE Florida Incorporated/GTE Telephone Operating Companies (GTEFL) for alleged violation of Sections 364.08 and 364.10, Florida Statutes.

GTEFL provides billing and collection services to Valley for yellow pages advertising pursuant to a Billing Services Agreement.

In its complaint, Valley alleges that GTEFL has notified Valley that GTEFL intends to terminate the billing and collection services to Valley on March 31, 1999.

According to Valley, GTEFL has stated that GTEFL will no longer provide billing and collection for non-telecommunication services, as part of GTEFL's efforts to reduce customer cramming complaints. Because GTEFL intends to continue to provide billing and collection services for yellow pages advertising to its own affiliate (GTE Directories Corporation), Valley asserts that GTEFL's behavior is discriminatory. Thus, Valley requests that the Commission exercise jurisdiction under Sections 364.08 and 364.10, Florida Statutes. Valley requests that we issue an Order directing

GTEFL to offer its billing and collection services for yellow pages advertising to Valley on a non-discriminatory basis and grant such other relief as we deem appropriate.

On February 23, 1999, Valley filed a Request for Expedited Treatment under Section 364.058, Florida Statutes, to enable a hearing of the matters underlying the complaint not later than March 31, 1999.

On February 25, 1999, GTEFL filed a Motion to Dismiss and Opposition to Request for Expedited Treatment. Valley filed a Response to GTEFL's Motion to Dismiss and Opposition to Request for Expedited Treatment on March 9, 1999. On March 11, 1999, Valley filed a request for a pre-hearing conference on an expedited basis to consider Valley's Request for Expedited Hearing and GTEFL's Motion to Dismiss. This Order addresses the Motion to Dismiss.

ANALYSIS

Standard of Review for a Motion to Dismiss

A motion to dismiss a petition must show that the petition fails to state a cause of action upon which the Commission may grant the relief requested. All allegations in the petition must be taken as true, and be considered in the light most favorable to the petitioner. See, e.g., Ralph v. City of Daytona Beach, 471 So.2d 1, 2 (Fla. 1983); Orlando Sports Stadium, Inc. v. State of Florida ex rel Powell, 262 So.2d 881, 883 (Fla. 1972); Kest v. Nathanson, 216 So.2d 233, 235 (Fla. 4th DCA, 1968); Ocala Loan Co. v. Smith, 155 So.2d 711, 715 (Fla. 1st DCA, 1963).

The Complaint

In its Complaint, Valley alleges that GTEFL intends to terminate, on March 31, 1999, billing and collection services provided to Valley for yellow pages advertising. Valley alleges that GTEFL intends to continue to provide yellow pages billing and collections service to its affiliate, GTE Directories Corporation.

Valley argues that we have jurisdiction to intervene where a telecommunications carrier "deliberately seeks to use its monopoly-based billing and collection power to favor its own yellow pages operations over that of a yellow pages competitor". Valley requests that we order GTEFL to offer its yellow pages billing and

collection service to Valley on a non-discriminatory basis, and grant such other relief as we deem appropriate.

GTEFL's Motion to Dismiss

GTEFL states that the Billing Services Agreement itself, which GTEFL and Valley agreed to, provides for and entitles GTEFL to terminate Valley's contract: "Either party may terminate this Agreement for any reason upon one hundred eighty (180) Calendar Days after written notice". GTEFL states that Valley, in effect, wants this Commission to reform the agreement to remove this provision. GTEFL asserts that we do not have jurisdiction over the contract at issue, and so cannot alter the contract.

GTEFL argues that granting Valley's request for relief would require us to determine that billing for yellow pages advertising is (1) regulated; (2) tariffed, and (3) a telecommunications service. GTEFL argues that its billing service is none of these.

GTEFL asserts that Sections 364.08 and 364.10, Florida Statutes, embody the traditional obligations that apply to communications common carriage in Florida, and as such pertain only to telecommunications services provided by telephone utilities. The Commission has never interpreted them more expansively to extend beyond telecommunications to any non-telecommunications, non-regulated features or services a telephone company might provide.

GTEFL argues that neither yellow pages advertising nor billing for such advertising is a telecommunications service. Yellow pages involve publishing and advertising, not telecommunications. GTEFL's billing service tariff in Florida applies only to telecommunications access service. GTEFL points out that at the federal level, all billing, even for telecommunications services, was detariffed by the FCC over 12 years ago. In Detariffing of Billing and Collection Services, 102 FCC 2d 1150, 1169 (1986), the FCC held that billing and collections is not a communications service and does not qualify as communications common carriage, but, rather, is an administrative service. Given that billing, even for communications services, is not a communications service, it must follow that billing for non-communications services is not a communications service, GTEFL contends.

Valley's Response to the Motion to Dismiss

Valley re-asserts its position that the non-discrimination obligation imposed by Sections 364.08 and 364.10, Florida Statutes, gives us the authority and responsibility to evaluate the complaint. Valley contends that in some ways billing services for non-telecommunications services are subject to regulation and in some ways they are not. "While neither [state or federal telecommunication regulations] currently requires tariffing of billing services, recent actions by the FCC and this Commission suggest that both believe they have some degree of authority to regulate these services." Valley refers to the September 1998 Notice of Proposed Rulemaking regarding truth in billing and billing format rule, where the FCC stated that "although a carrier's provision of billing and collection services for an unaffiliated carrier is not subject to Title II, such third party billing services may be subject to the Commission's ancillary jurisdiction pursuant to Title I of the Act". See NPRM: In the Matter of Truth-in-Billing and Billing Format, CC Docket No. 98-170 (September 17, 1998) Par.12, FN 28. Valley also refers to this Commission's staff's released draft of Rule 25-4.119, Florida Administrative Code, regarding advertising disclosure, which would impose specific requirements upon "any company that bills for itself or on behalf of companies providing regulated or non-regulated services . . ." See Staff's Proposed Draft Rules for Cramming and Truth-in-Billing, dated February 1, 1999.

DETERMINATION

Having reviewed the facts set forth by both parties regarding the Billing Service Agreement and the statutory provisions in question, we find we cannot grant the relief which Valley requests.

Valley itself stated that the method of contract termination and related issues are issues for a court to decide, and not this Commission. We agree with Valley that we have no authority to alter or reform the contract.

The Billing Service Agreement concerns billing for Valley's customers' advertising in Valley's yellow pages directories. Billing for yellow pages is not a regulated service, nor is it considered a telecommunications service. Section 364.07(1), Florida Statutes, states:

Every telecommunications company shall file with the Commission, as and when required by it, a copy of any contract, agreement, or arrangement in writing with any other telecommunications company, or with any other corporation, association, or person relating in any way to the construction, maintenance, or use of a telecommunications facility or service by, or rates and charges over and upon, any such telecommunications facility.

There is no filing requirement for yellow pages billing contracts, as there is for telecommunications contracts. Yellow pages advertising, as well as the billing service associated with it, is not a regulated telecommunications service.

In its complaint, Valley has stated its belief that GTEFL's actions are in violation of Sections 364.08 and 364.10, Florida Statutes. Section 364.08 states:

(1) A telecommunications company may not charge, demand, collect, or receive for any service rendered or to be rendered any compensation other than the charge applicable to such service as specified in its schedule on file and in effect at that time. A telecommunications company may not refund or remit, directly or indirectly, any portion of the rate or charge so specified or extend to any person any advantage of contract or agreement or the benefit of any rule or regulation or any privilege or facility not regularly and uniformly extended to all persons under like circumstances for like or substantially similar service.

(2) A telecommunications company subject to this chapter may not, directly or indirectly, give any free or reduced service between points within this state. However, it shall be lawful for the commission to authorize employee concessions if in the public interest.

Section 364.10 states:

(1) A telecommunications company may not make or give undue or unreasonable preference or advantage to any person or locality or subject any particular person or locality to any undue or unreasonable prejudice or disadvantage in any respect whatsoever.

(2) The prohibitions of subsection (1) notwithstanding, a telecommunications company serving as carrier of last resort shall provide a Lifeline Assistance Plan to qualified residential subscribers, as defined in a commissioned-approved tariff and a preferential rate to eligible facilities as provided for in part II.

In interpreting the above statutes in regard to our jurisdiction, we have held that they pertain to telecommunications services. In Petition for Declaratory Ruling, Institution of Rulemaking Proceedings, and Injunctive Relief, Regarding Intrastate Telecomm. Services Using the Internet, by America's Carriers Telecommunications Ass'n, 96 FPSC 12:385 (1996), the Commission stated that its jurisdiction depends upon the "critical issue" of whether the service or product at issue "constitutes 'telecommunications services for hire'", where this Commission refused to take jurisdiction over a dispute involving Internet telephony software.

Finally, it is well established that administrative agencies only have the power conferred upon them by statute and must exercise their authority in accordance with the controlling law. Charlotte County v. General Development Utilities, Inc., 653 So. 2d 1081, 1082 (Fla. 1st DCA 1995). See also 1 Fla. Jur. § 71, p. 289. As such, grants of authority to an administrative body are generally limited to those powers either expressly enumerated or clearly implied by necessity. See Sutherland, Statutory Construction, 5th Ed., Volume 3, §65.02; and Keating v. State ex rel. Ausebel, 167 So. 2d 46 (Fla. 1st DCA 1964). If there is reasonable doubt as to the scope of a power, it should be resolved against the exercise of that power. State ex rel. Burr et al., State Railroad Commissioners v. Jacksonville Terminal Co., 71 So.474 (1916).

For all of the foregoing reasons, we hereby grant GTEFL's motion to dismiss Valley's complaint.

Based on the foregoing, it is therefore

ORDERED by the Florida Public Service Commission that GTE Florida Incorporated's Motion to Dismiss is granted. It is further

ORDERED that this Docket shall remain open.

ORDER NO. PSC-99-0825-FOF-TP
DOCKET NO. 990132-TP
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By ORDER of the Florida Public Service Commission this 22nd
day of April, 1999.

/s/ Blanca S. Bayó
BLANCA S. BAYÓ, Director
Division of Records and Reporting

This is a facsimile copy. A signed
copy of the order may be obtained by
calling 1-850-413-6770.

(S E A L)

JAM

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of Records and reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

12. Order PSC-96-1535-FOF-TL, issued December 17, 1996

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Investigation of tariff filing to)	DOCKET NO. 960743-TL
determine whether GTE Florida)	ORDER NO. PSC-96-1535-FOF-TL
Incorporated's Trouble Location Charge for)	ISSUED: December 17, 1996
Single-Line Customers is in compliance)	
with Section 364.051, F.S. (T-96-480 filed)	
6/6/96))	
_____)	
)	

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

ORDER CLOSING DOCKET

BY THE COMMISSION:

The recent changes in Chapter 364, Florida Statutes, allow local exchange companies (LECs) to elect price regulation effective January 1, 1996. With election of price regulation, the LEC is subject to some guidelines, one of which pertains to the pricing of non-basic services.

Section 364.051(6)(a), Florida Statutes, provides in pertinent part:

Each company subject to this section shall maintain tariffs with the commission containing the terms, conditions and rates for each of its non-basic services, ..., the rate for each of its non-basic services, except that a price increase for any non-basic service category shall not exceed six percent within a twelve-month period until there is another provider providing local telecommunications service in an exchange area at which time the price for any non-basic service category may be increased in an amount not to exceed twenty percent within a twelve-month period, and the rate shall be presumptively valid.

Effective January 3, 1996, GTE Florida Incorporated (GTEFL or the Company) became a price-regulated local exchange company and, therefore, became subject to Section 364.051, Florida Statutes.

On June 6, 1996, GTEFL filed a tariff with this Commission introducing a Single-Line Trouble Location charge (SLTLC) in Section A15 of its General Services Tariff. This nonrecurring charge is applicable to single line subscribers when a repair call results in trouble being isolated to the subscriber's side of the demarcation point. Prior to this filing, GTEFL tarified trouble location service only for multi-line subscribers. The company states that with this filing, it now will be able to charge its single-line customers for trouble location service.

GTEFL asserts this tariff is for a new service and is not a price increase as contemplated by Section 364.051, Florida Statutes, and Order No. PSC-96-0012-FOF-TL, Investigation to Determine Categories of Non-basic Services Provided by Local Exchange Telephone Companies. Specifically, GTEFL argues SLTLC is a new service offering in the Miscellaneous Services Category. According to the company, since the SLTLC is a new service, the associated revenues should be excluded in calculating the 6% allowable price increase.

Upon the request of Commission staff, GTEFL performed a price-out for the Miscellaneous Service Category. The price-out revealed that the impact of the SLTLC to be approximately 3.15%. On September 18, 1996, GTEFL filed a monitoring report with a revised price-out which showed that the impact of the revenue resulting from the SLTLC was approximately 5.85%.

Upon consideration, we find that whether or not GTEFL's SLTLC tariff is viewed as a new service or as a price increase, the 5.85% increase falls within the 6% price increase for a non-basic service category allowed by Section 364.051(6)(a), Florida Statutes. Accordingly, this concludes our investigation and this docket can be closed.

Therefore, it is

ORDERED by the Florida Public Service Commission that this docket is hereby closed.

By ORDER of the Florida Public Service Commission, this 17th day of December,

ORDER NO. PSC-88-1636-FBI-TL
DOCKET NO. 880743-TL
PAGE 3

1996.

/s/ Blanca S. Bayó

BLANCA S. BAYÓ, Director
Division of Records and Reporting

This is a facsimile copy. A signed copy of the
order may be obtained by calling 1-904-413-
6770.

(SEAL)

MMB

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.

13. May 12, 2000 letter from J. Audu to Stan Greer

May 12, 2000

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

TO:

Stan Greer

224 - 5139 Voice

222 - 8640 Late

FROM:

Jonathan Audu

Fax: (850) 413-6597

Voice: (850) 413-6596

RE: Ms. Nelson's White Pages

03 pages (total)

Note:

This is a complaint that came through the Commission site — hence my processing time is expedited. Consequently, I will appreciate an expedited treatment/response from your own end. Thank you —

Jonathan
RECEIVED

MAY 12 2000

VIA FAX - REG. RELATIONS
TALLAHASSEE, FL

Jonathan Audu

om: Sally Simmons
Sent: Thursday, May 11, 2000 3:24 PM
To: Jonathan Audu
Cc: John Cutting
Subject: RE: Subj: Question on late chages

Please work with Beth Keating to develop a response. Please complete by 5/19. Thanks.

-----Original Message-----

From: Richard Tudor
Sent: Thursday, May 11, 2000 2:48 PM
To: Sally Simmons
Subject: FW: Subj: Question on late chages

Please assign this and make sure it gets logged into CATS and that Billy gets a copy of the response. Thanks.

Richard

-----Original Message-----

From: Billy Stiles
Sent: Wednesday, May 10, 2000 2:04 PM
To: Richard Tudor
Subject: FW: Subj: Question on late chages

Richard, please have someone respond to this inquiry. I don't think we have any jurisdiction over late charges applied to yellow page listings, but I'm not sure. I'd like to be copied on the response. Thanks.

-----Original Message-----

From: Susan Clark
Sent: Wednesday, May 10, 2000 11:39 AM
To: Billy Stiles
Subject: FW: Subj: Question on late chages

Would you please handle

-----Original Message-----

From: tom [mailto:dsimail@birch.net]
Sent: Monday, May 08, 2000 1:20 PM
To: SCLARK@PSC.STATE.FL.US
Subject: Subj: Question on late chages

TO: Ms. Susan Clark
From: Marge Melson

I represent a small firm in the mid west that handles the auditing and payment of white page listing bills for national accounts. At the present time we handle several Fortune 500 accounts including IBM, General Electric Company, American Express to mention a few. The reason for this inquiry is to see if in the State of Florida a public utility can charge anything they desire for a late fee. Case in point. BellSouth Telephone Company.

I am now looking at several bills for Sheraton Hotels. They are advertising in several Florida BellSouth white page directories. These listings cost \$14.40 per year plus normal taxes. As of the April 28th

bill we will have paid them 44.95 on average for the listing plus late charges. \$30.55 in late fees. BellSouth charges \$9.00 a month plus taxes plus interest of 1.5%. The bill may be dated anyplace from 1/28/00 and payment due on 5/28/00. The actual bill was received by us on 5/8/00 and that was early for us to receive it. That leaves 14 days or so to process the bill, check to make sure it is correct, bill our client and pay BellSouth. Seems a little short on time there.

As I said to begin with, is it legal for a company to charge anything they want as a late charge. This appeared on the January 1, 2000 bill with no notice.

The opinion we have received from BellSouth is "just pay the bill early and no late charges". There is no way to even catch up by the time we receive the bill here and pay it. even when we double the late charges to pay, we are still a month behind and have incurred another \$9.00 plus taxes plus interest. This is a "no win" situation for the customer and a "WIN WIN" situation for BellSouth.

Thank you for your time

Marge Melson
Data Scribe Inc
3838 Rainbow Blvd. Ste 104
Kansas City, Kansas 66103
913 677 1438
email mmelson@birch.net

14. May 23, 2000 letter from N. Sims to j. Audu



BellSouth Telecommunications, Inc. 850 222-1201
Suite 400 Fax 850 222-8640
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director - Regulatory Relations

May 23, 2000

Mr. Jonathan Audu
Division of Communications
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. Audu:

RE: Marge Melson (913) 677-1438

The information contained herein is considered customer proprietary information by BellSouth and should be kept confidential until such time as the customer permits release of the information.

In response to your inquiry of May 12, 2000 we wish to advise that after receiving the appeal, the matter was referred to the National Yellow Pages (NYP) office. Ms. Melson was contacted and she clarified that she was questioning BellSouth late payment charges in the State of Florida and said she did not have any problems with NYP.

Ms. Melson, when contacted by a BellSouth Manager, stated she was upset about Florida's late payment charge as compared to other states. Ms. Melson advised that she was a billing agent for other large companies and all directory advertising bills are directed to her. She said that she then forwards the bills to the various customers for their approval, after which they are returned to her for payment. Ms. Melson feels BellSouth does not allow enough time to process and get the bills paid before late payment charges are incurred. The BellSouth Manager offered to investigate changing the bill date, which would change the pay by date, to accommodate the customer's billing system. Ms. Melson refused and said that would not help her. Ms. Melson stated that the amount of the monthly advertising is sometimes less than the late payment charge.

The BellSouth Manager explained that effective 08/28/99 the Florida monthly late payment charges were changed to \$9.00 plus an interest charge of 1.5% on the unpaid balance exceeding \$6.00 each month (tariff reference is A2.4.3.C). The customer understood the charges but was concerned because other states within the BellSouth

Mr. Jonathan Audu
May 22, 2000

region have lower rates. The customer then requested to speak with the National Yellow Page representative about the Ad. A Voice Mail was left for Ms. Debbie O'Neal, NYP, to call the customer.

BellSouth was unable to obtain significant Florida specific information on sample accounts handled by Ms. Melson. But, using the one account that we were given, the billing cycle for April, 2000 was as follows:

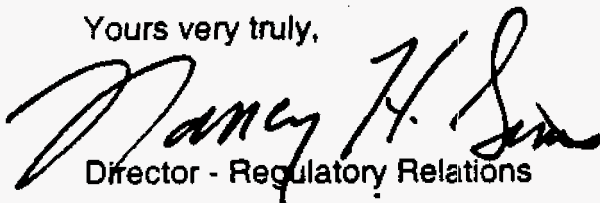
Bill Date	April 26, 2000
Pay By Date	May 15, 2000
Date Late Payment And Interest Applied to Unpaid Balance	May 26, 2000

This billing cycle is in compliance with the Florida Public Service Commission Rules Chapter 25-4.110(3)(a) and with the General Subscriber Service Tariff Section A2.4.3.G, which states that "Bills for service shall not be considered delinquent prior to the expiration of fifteen days from the date of mailing or delivery by the company".

We are still examining possible options to assist this customer in processing her payments. One option that may be available to her, with the permission of her customers, is online viewing and payment of BellSouth bills. This would allow immediate and electronic access to the billing, which should speed up her processing time. We will keep you informed on our progress.

If you have any further questions, please do not hesitate to call.

Yours very truly,


Director - Regulatory Relations

15. May 30, 2000 letter from N. Sims to J. Audu

BellSouth Telecommunications, Inc. 850 222-1201
Suite 400 Fax 850 222-8640
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director - Regulatory Relations

May 30, 2000

Mr. Jonathan Audu
Division of Communications
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. Audu:

RE: Marge Melson

The information contained herein is considered customer proprietary information by BellSouth and should be kept confidential until such time as the customer permits release of the information.

This is in further reference to the above customer.

Debbie O'Neal, National Yellow Pages advised that when she originally spoke with Ms. Melson, she suggested the possibility of setting up a yearly billing for each of her clients. Ms. Melson was opposed to that suggestion.

We also investigated the option of access to On Line Billing. At the present time Large Businesses and Mid Market businesses do not have the capability to access/pay bills on line. This service may be offered in the Fourth quarter of 2000.

If you have any further questions, please do not hesitate to call.

Yours very truly,



for Director - Regulatory Relations

16. July 29, 2999 Letter returning approval tariff and tariff

STATE OF FLORIDA

Commissioners:
JOE GARCIA, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
JULIA L. JOHNSON
E. LEON JACOBS, JR.



DIVISION OF
TELECOMMUNICATIONS
WALTER D'HAESELEER
DIRECTOR
(850) 413-6600

Public Service Commission

Filed 7/9/99

July 29, 1999

Marshall M. Criser III
Vice President - Regulatory Relations
BellSouth Telecommunications, Inc.
150 South Monroe Street, Suite 400
Tallahassee, FL 32301-1556

Re: Authority No. T991139

Dear Sir/Madam:

We are returning, approved, a copy of the tariff update as follows:

*Filing revises General Subscriber Service Tariff and
Private Line Services Tariff to change the Late Payment
Charge for residence subscribers.*

The approved tariff will be incorporated in your current tariff on file with the Public Service Commission.

Sincerely,


Jacquelyn Gilchrist
Regulatory Analyst Supervisor

RECEIVED

AUG 05 1999

JG/tfs

U.S. MAIL-REG. RELATIONS
TALLAHASSEE, FL

ATTACHMENT

AUTHORITY NUMBER: T991139

SECTION A2

GENERAL SUBSCRIBER SERVICE TARIFF

General Regulations

3rd 19

2nd 20

SECTION B2

PRIVATE LINE SERVICES TARIFF

1st 14

ISSUED: July 9, 1999
BY: Joseph P. Lacher, President -FL
Miami, Florida

EFFECTIVE: July 24, 1999

A2. GENERAL REGULATIONS

A2.4 Payment Arrangements and Credit Allowances (Cont'd)

A2.4.3 Payment for Service (Cont'd)

- C. *Effective August 28, 1999, a Late Payment Charge of \$1.50 plus an interest charge of 1.5 percent on the unpaid balance exceeding \$6.00 for residence subscribers and a Late Payment Charge of \$9.00 plus an interest charge of 1.5 percent on the unpaid balance exceeding \$6.00 for business subscribers will be applied to each subscriber's bill, (including amounts billed in accordance with the Company's Billing and Collections Services Tariff) when the previous month's bill has not been paid in full prior to the next billing date. The 1.5 percent interest charge is applied to the total unpaid amount carried forward and is included in the total amount due on the current bill. This Tariff shall apply to federal and state government pursuant to existing statutes applicable to those governmental entities. Effective January 1, 1992, county and municipal governments will be assessed a 1.0 percent Late Payment Charge in accordance with the provisions of the Florida Prompt Payment Act, Section 218.70-218.79, Florida Statutes.*
- D. Should service be suspended for nonpayment of charges, it will be restored only as provided under "Restoration Charge" in Section A4. of this Tariff.
- E. When the service has been disconnected for nonpayment, the service agreement is considered to have been terminated. Reestablishment of service may be made only upon the execution of a new service agreement which is subject to the provisions of this Tariff.
- F. In its discretion, the Company may restore or reestablish service which has been suspended or disconnected for nonpayment of charges, prior to payment of all charges due. Such restoration or reestablishment shall not be construed as a waiver of any rights to suspend or disconnect service for nonpayment of any such or other charges due and unpaid or for the violation of the provisions of this Tariff; nor shall the failure to suspend or disconnect service for nonpayment of any past due account or accounts operate as a waiver or estoppel to suspend or disconnect service for nonpayment of such account or of any other past due account.
- G. Bills for service shall not be considered delinquent prior to the expiration of fifteen days from the date of mailing or delivery by the company. However, the company may demand immediate payment under the following circumstances:
1. Where service is terminated or abandoned.
 2. Where toll service is two times greater than the subscriber's average usage as reflected on the monthly bills for the three months prior to the current bill or, in the case of a new customer who has been receiving service for less than four months, where the toll service is twice the estimated monthly toll service.
 3. Where the Company has reason to believe that a business subscriber is about to go out of business or that bankruptcy is imminent for that subscriber.

H. Toll Credit Limit (TCL)

Toll Credit Limit (TCL) is an interim phase of toll denial in lieu of local service denial. It offers subscribers the option of toll restriction while paying a deposit or an overdue bill balance on an installment basis.

1. The Toll Credit Limit process shall apply for subscribers requesting new service with no outstanding bill balance, subscribers requesting new service with unpaid balances from previous service, and for existing subscribers with overdue outstanding charges.

a. New Service With No Outstanding Charges For Previous Service

When the Company deems it necessary for a subscriber requesting new service to pay a deposit and the subscriber is unable to pay the deposit in full, the subscriber may be allowed to pay the deposit in up to four (4) installments if the subscriber agrees to a full toll restriction of the service, at no charge, until the deposit is paid in full.

An arrangement may be made to waive the deposit if the subscriber chooses to have a full toll restriction on the requested service until satisfactory credit has been established.

b. New Service With Outstanding Charges For Previous Service

Residence subscribers requesting new service who have outstanding charges from previous service with the Company, which have not yet been referred to an outside collection agency, will be allowed to select full toll restriction of the service until the charges are paid in full. These subscribers can make arrangements to pay the charges in up to four installments.

FLORIDA PUBLIC SERVICE COMMISSION

RECEIVED/ON FILE

Authority Number	<u>T - 991139</u>
Docket Number(s)	<u></u>
Order Number(s)	<u></u>
Effective Date	<u>JUL 24 1999</u>

A2. GENERAL REGULATIONS

A2.4 Payment Arrangements and Credit Allowances (Cont'd)

A2.4.3 Payment for Service (Cont'd)

H. Toll Credit Limit (TCL) (Cont'd)

I. (Cont'd)

c. Existing Service

Residence subscribers with overdue bill balances who are unable to pay the charges in full may be allowed to retain their local service if they elect to have a full toll restriction placed on their existing service, at no charge, until the charges are paid. These subscribers may arrange to pay the outstanding balance in up to four installment payments.

A2.4.4 Allowance for Service Outages

When the use of service or facilities furnished by the Company becomes unavailable due to any cause other than the negligence or willful act of the subscriber or the failure of the facilities provided by the subscriber, a pro rata adjustment of the fixed monthly charges involved will be allowed, for the service and facilities rendered useless and inoperative by reason of the service outage during the time the outage continues in excess of twenty-four hours from the time it is reported to or detected by the Company, except as otherwise specified in this tariff. The adjustment shall not be applicable for the time that the Company stands ready to repair the service and the subscriber does not provide access to the Company for such restoration work. For the purpose of administering this regulation, every month is considered to have thirty days.

A2.4.5 Provision for Certain Local Taxes and Fees

When a municipality or political subdivision of the state charges the Company any license, occupational, franchise, inspection or other similar tax or fee, whether in a lump sum, or at a flat rate, or based on receipts, or based on poles, wires, conduits or other facilities, the aggregate amount of such taxes and fees will be billed, insofar as practical, pro rata to exchange subscribers receiving service in the municipality or political subdivision.

A2.4.6 Provision for Certain Local Ordinance Costs

When the Company by virtue of its compliance with a municipal or county ordinance, incurs significant costs that would not otherwise normally be incurred, all such costs shall be billed, insofar as practical, pro rata, per exchange access line, to those subscribers receiving exchange service within the municipality or county as part of the price for exchange service.

An estimated monthly amount of such costs shall be billed to the affected subscribers each month and an adjustment to reconcile these estimates to the actual costs incurred for the six month periods ending June 30 and December 31 of each year shall be applied.

Charges for permits, licenses or fees required by governing authorities for installing any telephone wire in a building will be billed by the Company to the requesting party.

A2.4.7 Reserved for Future Use

A2.4.8 Variable Term Payment

- A. In the event that all or any part of the service is disconnected at the customer's request prior to the expiration of any selected payment period of greater than one month's duration, the customer will be required to pay the applicable termination charge as stated in the Access Service Tariff, the Private Line Service Tariff and this Tariff. The tariff provisions concerning termination liability shall be inapplicable to any state, county, or municipal governmental entity when there is in effect, as a result of action by such entity and through a duly constituted legislative, administrative, or executive body:

1. a statute;
2. an ordinance;
3. a policy directive; or
4. a constitutional provision

which restricts or prohibits an additional contractual payment for early termination of a contract by any such entity, or agency thereof, due to an unavailability of funding. When service is being provided and funding to the governmental entity for such service becomes unavailable, the governmental entity may cancel the service without additional payment obligation.

FLORIDA PUBLIC SERVICE COMMISSION

RECEIVED/ON FILE

Authority Number	<u>T - 9 9 1 1 3 9</u>
Docket Number(s)	<u></u>
Order Number(s)	<u></u>
Effective Date	<u>JUL 24 1999</u>

ISSUED: July 9, 1999

EFFECTIVE: July 24, 1999

BY: Joseph P. Lacher, President - FL
Miami, Florida

B2. REGULATIONS

B2.4 Payment Arrangements and Credit Allowances (Cont'd)

B2.4.1 Payment of Charges and Deposits (Cont'd)

- B. Applicants for service who have no account with the Company or whose financial responsibility is not a matter of general knowledge, may be required to make an advance payment at the time an application for service is placed with the Company, equal to the service connection or installation charges, if applicable, and at least one month's charges for the service provided. In addition, where the furnishing of service involves an unusual investment, applicants may be required to make payment in advance of such portion of the estimated cost of the installation or construction as is to be borne by them. The amount of the advance payment is credited to the customer's account as applying to any indebtedness of the customer for the service furnished.
- C. The Company may, in order to safeguard its interests, require an applicant or customer to make such deposit as the Company deems suitable to be held by the Company as a guarantee of the payment of charges. The fact that a deposit has been made in no way relieves the applicant or customer from complying with the Company's regulations as to advance payments or the prompt payment of bills on presentation. At such time as the service is terminated the amount of the deposit is credited to the customer's account and any credit balance which may remain is refunded. At the option of the Company such a deposit may be refunded in all or part or credited to the customer at any time prior to the termination of the service. In case of a cash deposit, interest is paid at the rate of 6% per annum to begin and run from the date said deposit is made except that, no interest shall apply on a deposit unless the deposit and the service have been in existence for a continuous period of six months.
- D. The Company reserves the right to increase the deposit requirement when in its judgment the conditions justify such action.
- E. Effective April 1, 1996, a charge of \$20.00 or 5 percent of the face value of the check, whichever is greater, will apply whenever a check or draft presented for payment for service is not accepted by the institution on which it is written.¹ For a check or draft written prior to this date, a charge of \$15.00 will apply. (T)
- F. *Effective August 28, 1999, a Late Payment Charge of \$1.50 plus an interest charge of 1.5 percent on the unpaid balance exceeding \$6.00 for residence subscribers and a Late Payment Charge of \$9.00 plus an interest charge of 1.5 percent on the unpaid balance exceeding \$6.00 for business subscribers will be applied to each subscriber's bill when the previous month's bill (including amounts billed in accordance with the Company's Billing and Collections Services Tariff) has not been paid in full prior to the next billing date. The 1.5 percent interest charge is applied to the total unpaid amount carried forward and is included in the total amount due on the current bill. Late payment charges to governmental entities shall be the maximum allowed by law but no more than 1.0 percent per month.* (C)
- G. At the option of the customer, all nonrecurring charges associated with an order for service may be billed over a three month period subject to the following:
- 50% of the total nonrecurring charges will be billed in the first monthly billing period after the charges are incurred, and 25% of the total nonrecurring charges plus an Extended Billing Plan Charge will be billed in each of the following two monthly billing periods.
 - The Extended Billing Plan Charge is calculated at a rate of 1.0% per month or 12% annually, on the unbilled balance of the nonrecurring charges.
 - If the customer disconnects service before the expiration of the plan period, all unbilled charges plus the Extended Billing Plan charge, if applicable, will be included in the final bill rendered.
 - If the customer fails to make any of the payments prior to the next billing date these late payment charges as specified in F. preceding will apply.

Note 1: Nonpayment of this charge will not constitute sufficient cause for interruption or cancellation of service. (T)

FLORIDA PUBLIC SERVICE COMMISSION

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Authority Number	<u>T - 991139</u>
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Order Number(s)	<u></u>
Effective Date	<u>JUL 24 1999</u>

17. August 25, 1995 FPSC FRR 0803 PSC 02 "Categories of Non Basic Services," pages 1 of 10 through 10 of 10.

8/22/95

To Judy Ankiewicz

Judy -

Attached is the revised listing of service categories - it has changed quite a bit - I tried to mark the changes, but it will be better if you just use this list instead of the old one.

As I said, there may still be some cleanup before we are through -

Any questions, please call!

Darcy Sims

(The page breaks are off - so be careful that you don't miss any items.)

1

Southern Bell Tel. & Tel. Co.
FPSC FRR 0803 PSC 02
"Categories of Non Basic
Services
August 25, 1995
Item No. 1a
Page 1 of 10

REQUEST

1. Under the new statute, four "baskets" of services are defined. they are basic local telecommunications service, network access services, local interconnection, and non-basic services.
 - a. For each of the four baskets please identify and describe in detail the specific services that fall within each basket by tariff section.

Basic Services

A3.04 MONTHLY RATES (FLAT RATE RESIDENTIAL)
A3.04 MONTHLY RATES (FLAT RATE, SINGLE LINE BUSINESS)
A3.07 OPTIONAL EXTENDED AREA SERVICE (FLAT RATE RESIDENTIAL)
A3.07 OPTIONAL EXTENDED AREA SERVICE (FLAT RATE, SINGLE LINE BUSINESS)
A3.08 LOCAL EXCEPTIONS - FLAT RATE RESIDENTIAL
A3.08 LOCAL EXCEPTIONS - FLAT RATE, SINGLE LINE BUSINESS
A103.01 OPTIONAL EXTENDED AREA SERVICE (FLAT RATE RESIDENTIAL)

? ECS prior to 7/1/95

Non Basic Services - Business Services

A3 HUNTING
A3.05 MONTHLY RATES (MESSAGE RATE BUSINESS)
A3.13 NETWORK ACCESS REGISTER USAGE PACKAGE
A3.28 TRUNK SIDE ACCESS FACILITY
A3.35 NETWORK ACCESS SERVICE
A3.38 BACKUP LINE
A12.01 ESSX SERVICE
A12.04 AUTOMATIC CALL DISTRIBUTION - ESS SYSTEMS
A12.05 ELECTRONIC TANDEM SWITCHING FEATURES
A12.06 MISCELLANEOUS SERVICE ARRANGEMENTS - 1/1A ESS SWITCHES
A12.08 IDENTIFIED-OUTWARD DIALING(OD)FROM PBX SYSTEMS
A12.13 DIGITAL ESSX SERVICE
A12.15 ESSX MULTI-ACCOUNT SERVICE
A12.17 DIGITAL ELECTRONIC TANDEM SWITCHING FEATURES
A12.18 ESSX ISDN SERVICE
A13.05 ARRANGEMENTS FOR NIGHT, SUNDAY, & HOLIDAY SVC.
A13.13 DORMITORY COMMUNICATIONS SE

Southern Bell Tel. & Tel. Co.
FPSC FRR 0803 PSC 02
"Categories of Non Basic
Services
August 25, 1995
Item No. 1aR
Page 2 of 10

REQUEST

1. Under the new statute, four "baskets" of services are defined. they are basic local telecommunications service, network access services, local interconnection, and non-basic services.
 - a. For each of the four baskets please identify and describe in detail the specific services that fall within each basket by tariff section.

Non Basic Services - Business Services

A13.18	NETWORK FACILITIES FOR USE WITH 976 SERVICE
A31.02	AREA COMMUNICATION SERVICE - MULTILLOCATION BUSINESS SERVICE
A112.01	CENTREX SERVICE TO MILITARY BASES
A112.02	CENTREX-CO SERVICE
A112.03	ESSX-1 AUXILIARY SERVICES
A112.04	AUTOMATIC CALL DISTRIBUTION - ESS SYSTEMS
A112.05	ELECTRONIC TANDEM SWITCHING FEATURES
A112.08	ESSX-1 SERVICE
A112.09	ESSX-1 ELECTRONIC TANDEM SWITCHING FEATURES
A112.11	ESSX, CENTREX, & ESSX-1 CUSTOMER MANAGEMENT FEATURES
A112.12	ESSX SERVICE - 85
A112.13	DIGITAL ESSX SERVICE - 85
A112.14	ELECTRONIC TANDEM SWITCHING FEATURES
A112.15	ESSX SERVICE - 88
A112.16	DIGITAL ESSX SERVICE - 88
A112.19	DIGITAL ELECTRONIC BUSINESS SET SERVICE II
A112.20	ESSX SERVICE VINTAGE 2, SIMPLIFIED MESSAGE DESK INTERFACE
A112.22	ESSX SERVICE OPTIONAL FEATURES, STATION MESSAGE DETAIL RECORDING
A112.23	DIGITAL ESSX SERVICE OPTIONAL FEATURES, STATION MESSAGE DETAIL RECORDING
A113.04	ARRANGEMENTS FOR NIGHT, SUNDAY, HOLIDAY SVC.
A113.18	NETWORK FACILITIES FOR USE W/976 SERVICE
A114.03	ESSX-1 CUSTOMER PREMISES ATTENDANT SERVICES
A4.3	CHARGES FOR CONNECTING OR CHANGING SERVICE
A4.4	DUAL SERVICE

3

Southern Bell Tel. & Tel. Co.
FPSC FRR 0803 PSC 02
"Categories of Non Basic
Services
August 25, 1995
Item No. 1a
Page 3 of 10

REQUEST

1. Under the new statute, four "baskets" of services are defined. they are basic local telecommunications service, network access services, local interconnection, and non-basic services.
 - a. For each of the four baskets please identify and describe in detail the specific services that fall within each basket by tariff section.

Non Basic Services - Business Ancillary

A2.04	LATE PAYMENT CHARGES
A2.04	RETURNED CHECK/BANK DRAFT
A3.22	LOCAL USAGE DETAIL
A3.29	OUTGOING ONLY SERVICE
A4.03	CHARGES FOR CONNECTING OR CHANGING SERVICE
A4.06	SPECIAL NUMBER ASSIGNMENT CHARGE
A5.03	ADDITIONAL ENGINEERING, LABOR, & MISCELLANEOUS CHARGES
A6.04	NON-PUBLISHED (PRIVATE) LISTING
A6.05	NON-LISTED (SEMI PRIVATE) LISTING
A6.06	ADDITIONAL LISTING
A6.07	MISCELLANEOUS LISTING
A8.02	TELEPHONE ANSWERING SERVICE FACILITIES
A8.03	CENTRAL OFFICE CONCENTRATOR SERVICE
A9.01	FOREIGN EXCHANGE SERVICE
A9.02	FOREIGN CENTRAL OFFICE SERVICE
A9.03	INTERIM FOREIGN EXCHANGE SERVICE
A11.05	PBX IOD FROM CUSTOMER-PREMISE LOCATED SWITCHING SYSTEMS
A12.07	DIRECT-INWARD DIALING (DID) SERVICE
A12.16	PRESTIGE COMMUNICATIONS SERVICE (PCS)
A13.01	EXTENSION SERVICES
A13.03	APARTMENT DOOR ANSWERING SERVICES
A13.04	SPECIAL BILLING SERVICES
A13.09	CUSTOM CALLING SERVICES
A13.11	REMOTE CALL FORWARDING SERVICE
A13.14	TOLL TRUNKS (TOLL TERMINALS)
A13.15	911 EMERGENCY SERVICE - 8A KEY TELEPHONE SYSTEM

4

A13.19 TOUCHSTAR SERVICE
A13.20 CALL SCREENING AND RESTRICTION SERVICES CUSTOMIZED CODE
RESTRICTION

Services

August 25, 1995

Item No. 1a

Page 4 of 10

REQUEST

1. Under the new statute, four "baskets" of services are defined. they are basic local telecommunications service, network access services, local interconnection, and non-basic services.
 - a. For each of the four baskets please identify and describe in detail the specific services that fall within each basket by tariff section.

Non Basic Services - Business Ancillary

A13.22	WATCH ALERT SERVICE
A13.24	DUPLICATE BILL CHARGES
A13.33	MULTIFEATURE DISCOUNT PLAN
A13.34	RINGMASTER SERVICE
A13.41	EXCHANGE LINE DATA SERVICE
A13.46	SIMPLIFIED MESSAGE DESK INTERFACE (SMDI)
A13.47	MESSAGE WAITING INDICATION - AUDIBLE (MWI)
A13.49	SURROGATE CLIENT NUMBER
A13.50	TELECOMMUNICATION SVC. PRIORITY (TSP) SYSTEM
A13.53	MULTILINE HUNT QUEUING
A13.56	HOT LINE SERVICE
A13.57	WARM LINE SERVICE
A13.58	UNIFORM ACCESS NUMBER
A13.59	AUTOMATIC NUMBER IDENTIFICATION
A13.60	CUSTOM SERVICE AREA
A13.61	ANSWER SUPERVISION
A13.62	CALL DETAIL INFORMATION
A14.01	NETWORK INTERFACE EQUIPMENT
A14.02	TOLL RESTRICTION (BATTERY REVERSAL IN CO)
A14.03	BREAK IN ROTARY NUMBER GROUP
A14.04	HIGH VOLTAGE PROTECTION EQUIPMENT
A14.07	MESSAGE REGISTER SERVICE
A14.08	CUSTOMER PREMISES ATTENDANT SERVICES
A15.04	TROUBLE LOCATION CHARGE
A22.01	TWO-TIER PAYMENT PLAN
A24.01	ENHANCED 911 EMERGENCY SERVICE

6

Co.

Services

REQUEST

1. Under the new statute, four "baskets" of services are defined. they are basic local telecommunications service, network access services, local interconnection, and non-basic services.
 - a. For each of the four baskets please identify and describe in detail the specific services that fall within each basket by tariff section.

A34.01	AINS SERVICE MANAGEMENT SYSTEM STORAGE
A34.02	AINS ASSIGNMENT OF DEDICATED 203-XXXX NUMBERS
A34.03	AINS ROUTING SERVICE
A37.01	BILL PROCESSING SERVICE
A39.01	ABBREVIATED DIALING - N11 SERVICE
A42.01	ISDN INDIVIDUAL BUSINESS SERVICE
A105.01	ADDITIONAL ENGINEERING, LABOR, & MISCELLANEOUS CHARGES
A108.02	CONCENTRATOR - IDENTIFIER UNITS
A108.04	AUTOTAS ANSWERING SYSTEM CONCENTRATOR
A109.01	FOREIGN EXCHANGE SERVICE
A112.10	MISCELLANEOUS SERVICE ARRANGEMENTS - 1/1A ESS SWITCH
A112.17	PRESTIGE COMMUNICATIONS PACKAGE
A112.18	PRESTIGE SINGLE LINE SERVICE
A112.21	PRESTIGE DELUXE SERVICE
A112.24	CUSTOMIZED DIALING PACKAGE
A113.01	GROUP EMERGENCY ALERTING AND DISPATCHING SYSTEMS
A113.02	MUNICIPAL & INDUSTRIAL EMERGENCY REPORTING SYSTEMS
A113.03	MULTI-STATION 1-WAY CIRCUIT ARRANGEMENT FOR MANUAL CO's & CDO's
A113.05	EXTENSION SERVICE & TIE LINES
A113.10	CUSTOM CALLING SERVICES
A113.11	NETWORK FACILITIES FOR PUBLIC ANNOUNCEMENT SERVICES
A113.19	TICKETTAKER SERVICE
A113.20	CALLER ID MULTILINE
A114.01	SPECIAL LINE FILTER
A115.01.01	TERMINAL EQUIPMENT FOR RECORDING 2-WAY CONVERSATIONS

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A115.01.02 TELEPHOTOGRAPH EQUIPMENT
A115.01.03 DATA TRANSMITTING AND/OR RECEIVING TERMINAL
EQUIPMENT
A115.01.04 VOICE TRANSMITTING AND/OR RECEIVING TERMINAL
EQUIPMENT

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Services

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REQUEST

1. Under the new statute, four "baskets" of services are defined. they are basic local telecommunications service, network access services, local interconnection, and non-basic services.
 - a. For each of the four baskets please identify and describe in detail the specific services that fall within each basket by tariff section.

Non Basic Services - Business Ancillary

A115.01.05 ALARM DETECTION AND REPORTING EQUIPMENT

A115.01.06 DICTATION RECORDING EQUIPMENT

A115.02 COMMUNICATIONS SYSTEMS

A124.01 UNIVERSAL EMERGENCY NUMBER SERVICE - 911

A124.02 ENHANCED UNIVERSAL EMERGENCY NUMBER SERVICE - 911

B104.01 VOICE COMMUNICATING EQUIPMENT

B104.02 DATA COMMUNICATING EQUIPMENT

E8. BILLING AND COLLECTIONS SERVICES

NON BASIC SERVICES - RESIDENTIAL ANCILLARY

A2.04 RETURNED CHECK/BANK DRAFT

A2.04 LATE PAYMENT CHARGES

A3.05 MONTHLY RATES (MESSAGE RATE RESIDENTIAL)

A3.09 LOCAL DIRECTORY ASSISTANCE SERVICE

A3.10 OPERATOR ASSISTED LOCAL AND LOCAL CALLING CARD CALLS

A3.11 LOCAL OPERATOR VERIFICATION/INTERRUPT SERVICE

A3.22 LOCAL USAGE DETAIL

A3.24 LOCAL DA CALL COMPLETION SERVICE

A3.25 DA/DA CALL COMPLETION SERVICE (HSP's ONLY)

A3.29 OUTGOING ONLY SERVICE

A4.03 CHARGES FOR CONNECTING OR CHANGING SERVICE

A4.06 SPECIAL NUMBER ASSIGNMENT CHARGE

A4.07 LINK-UP FLORIDA

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A5.03 ADDITIONAL ENGINEERING, LABOR, & MISCELLANEOUS CHARGES
A6.04 NON-PUBLISHED (PRIVATE) LISTING
A6.05 NON-LISTED (SEMI PRIVATE) LISTING
A6.06 ADDITIONAL LISTING

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REQUEST

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 - a. For each of the four baskets please identify and describe in detail the specific services that fall within each basket by tariff section.

Non Basic Services - RESIDENTIAL Ancillary

A6.07	MISCELLANEOUS LISTING
A13.09	CUSTOM CALLING SERVICES
A13.11	REMOTE CALL FORWARDING SERVICE
A13.19	TOUCHSTAR SERVICE
A13.20	CALL SCREENING AND RESTRICTION SERVICES CUSTOMIZED CODE RESTRICTION
A13.24	DUPLICATE BILL CHARGES
A13.33	MULTIFEATURE DISCOUNT PLAN
A13.34	RINGMASTER SERVICE
A13.49	SURROGATE CLIENT NUMBER
A15.04	TROUBLE LOCATION CHARGE
A22.01	TWO-TIER PAYMENT PLAN
A30.02	EQUIPMENT FOR DISABLED CUSTOMERS - OUTRIGHT SALE
A30.03	EQUIPMENT FOR DISABLED CUSTOMERS - MONTH-TO-MONTH
A42.02	ISDN INDIVIDUAL RESIDENCE SERVICE
A105.01	ADDITIONAL ENGINEERING, LABOR, & MISCELLANEOUS CHARGES
A112.24	CUSTOMIZED DIALING PACKAGE
A113.10	CUSTOM CALLING SERVICES
A113.20	CALLER ID MULTILINE
A13.22	WATCHALERT

Non BASIC SERVICES - IntraLATA Toll

A18.03	TWO-POINT SERVICE
A18.13	CALLING PLANS - SAVER SERVICE
A19.05	WIDE AREA TELECOMMUNICATIONS SERVICE
A118.01	TWO-POINT SERVICE
A119.05	WIDE AREA TELECOMMUNICATIONS SERVICE

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REQUEST

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 - a. For each of the four baskets please identify and describe in detail the specific services that fall within each basket by tariff section.

Non Basic Services - Private Line & Data Services

A29.01	DERIVED DATA CHANNEL SERVICE
A29.02	DATA TRANSPORT SERVICE ACCESS CHANNEL SERVICE
A29.05	PULSELINK PUBLIC PACKET SWITCHING NETWORK SERVICE
A29.06	ACCUPULSE SERVICE
A32.01	INTEGRATION PLUS MANAGEMENT SVC (FLEXISERV,NUIS)
A32.3	FLEXISERV SERVICE
A32.4	NETWORK USAGE INFORMATION SERVICES (NUIS)
A40.03	NATIVE MODE LAN INTERCONNECTION SERVICE
A113.12	CENTRAL OFFICE LOCAL AREA NETWORK
A114.02	PRIVATE LINE SAMPLING ARRANGEMENT
A129.02	DATA TRANSPORT ACCESS CHANNEL SERVICE
A129.04	FLEXISERV - DIGITAL ACCESS CROSS CONNECT
B2.01	TELECOMMUNICATIONS SERVICE PRIORITY
B2.04	SERVICE ORDER MODIFICATIONS
B2.06	TROUBLE DETERMINATION CHARGE
B3.04	VG/SUB VG/WIRED MUSIC SVC/COMERCIAL QLTY VIDEO
B5.03	ADDITIONAL ENGINEERING, LABOR, & MISCELLANEOUS CHARGES
B7.01	MEGALINK SERVICE
B7.02	SYNCHRONET SERVICE
B7.03	MEGALINK CHANNEL SERVICE
B7.04	LIGHTGATE SERVICE
B7.05	MEGALINK ISDN SVC
B7.08	SMARTPATH SERVICE
B7.7	SMARTRING
B103.01	INTRAECHANGE INTRALATA CHANNELS

B103.02 INTEREXCHANGE INTRALATA CHANNELS
B103.03 INTRALATA CHANNEL CONDITIONING
B103.07 MULTIPPOINT SERVICE & MULTISTATION ARRANGEMENTS

REQUEST

1. Under the new statute, four "baskets" of services are defined. they are basic local telecommunications service, network access services, local interconnection, and non-basic services.
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Non Basic Services - PRIVATE LINE & DATA SERVICES

B103.09 SUB VOICE GRADE SERVICES - SERIES 1000 CHANNELS
B106.03 DATAPHONE DIGITAL SERVICE
E11.02 SPECIAL FACILITIES ROUTING OF ACCESS SERVICES
E13. ENGINEERING LABOR & MISCELLANEOUS SERVICES
E18. OPERATOR SERVICES

Non BASIC SERVICES Public and Semi Public Telephone

A4.03 CHARGES FOR CONNECTING OR CHANGING SERVICE
A7.01 PUBLIC TELEPHONE SERVICE EQUIPMENT
A7.01 PUBLIC TELEPHONE SERVICE MESSAGE CHARGES
A7.02 SEMI-PUBLIC TELEPHONE SERVICE EQUIPMENT AND ACCESS LINE
A7.02 SEMIPUBLIC TELEPHONE MESSAGE CHARGES
A7.03 COIN/COINLESS CREDIT CARD SERVICE
A7.06 PUBLIC SET USE FEE
A7.09 LOCAL USAGE DETAIL
A107.01 SEMI PUBLIC TELEPHONE SERVICE

Non Basic Services Operator Services

A3.09 LOCAL DIRECTORY ASSISTANCE SERVICE
A3.10 OPERATOR ASSISTED LOCAL AND LOCAL CALLING CARD CALLS
A3.11 LOCAL OPERATOR VERIFICATION/INTERRUPT SERVICE
A3.24 LOCAL DA CALL COMPLETION SERVICE
A3.25 DA/DA CALL COMPLETION SERVICE (MSP's ONLY)
A13.12 SELECTIVE CLASS OF CALL SCREENING SERVICE
A13.16 LOCAL CONFERENCE SERVICE

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Non Basic Services - Operator Services

A13.17	LIST SERVICE
A13.51	ELECTRONIC WHITE PAGES
A13.51	ELECTRONIC WHITE PAGES
A18.04	CONFERENCE SERVICE
A18.07	INTRA-NPA LONG DISTANCE DIRECTORY ASSISTANCE SERVICE
A18.08	INTRALATA LONG DISTANCE OPERATOR VERIFICATION/INTERRUPT SERVICE
A38.01	DIRECTORY ASSISTANCE DATABASE SERVICES
A38.02	DIRECTORY PUBLISHERS DATABASE SERVICE

Network Access Services

A3.12	SPECIAL ACCESS SERVICES USING LOCAL EXCHANGE NETWORK
A7.04	ACCESS LINE SVC FOR CUST. PROVIDED TELEPHONE
A7.08	SMART LINE SERVICE FOR PUBLIC TELEPHONE ACCESS
A7.10	COIN REFUND & REPAIR REFERRAL SERVICE
A12.11	MARITIME MOBILE & AVIATION RADIO TELEPHONE SERVICE
A23.01	SHARED TENANT SERVICES
A35.01	INTERCONNECTION FOR MOBILE SERVICES
A35.02	COMMON CHANNEL SIGNALING IS-41 & ISDNUP MESSAGE TRANSPORT
A35.03	OPERATOR SERVICES INTERCONNECTION
A117.04	MOBILE TELEPHONE SERVICE
E3.10	CARRIER COMMON LINE ACCESS SERVICES
E6	SWITCHED ACCESS SERVICE {NON - BSE}
E6.08.03	SWITCHED ACCESS SERVICE {BSEs}
E7.05	SPECIAL ACCESS
E9.	DIRECTORY ASSISTANCE ACCESS SERVICE

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Network Access Services

A3.12	SPECIAL ACCESS SERVICES USING LOCAL EXCHANGE NETWORK
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E3.10	CARRIER COMMON LINE ACCESS SERVICES
E6	SWITCHED ACCESS SERVICE {NON - BSE}
E6.08.03	SWITCHED ACCESS SERVICE {BSEs}
E7.05	SPECIAL ACCESS
E9.	DIRECTORY ASSISTANCE ACCESS SERVICE

18. October 27, 1995 letter and attachment from Nancy H. Sims to Maryrose Sirianni re: Docket No. 951159-TL, Non Basic Service Categories.

Nancy



Southern Bell

Nancy H. Sims
Director - Regulatory Relations

Suite 400
150 S. Monroe Street
Tallahassee, Florida 32301
904 222-1201
FAX 904 222-8640

October 27, 1995

Ms. MaryRose Sirianni
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Docket No. 951159-TL
Non-Basic Service Categories

Dear Ms. Sirianni,

Attached is a list of BellSouth's non-basic services according to the non-basic service categories proposed by the Florida Public Service Commission (FPSC) staff at the workshop held on October 13, 1995.

If you have any questions or if I may be of assistance, please call me at (904) 222-1201.

Sincerely,

Nancy H. Sims
Director-Regulatory Relations

Attachment

BELLSOUTH'S NON-BASIC SERVICES BY NON-BASIC SERVICE CATEGORIES
AS PROPOSED BY THE FPSC STAFF AT THE OCTOBER 13, 1995 WORKSHOP
DOCKET NO. 951159-TL

BUSINESS NON-BASIC EXCHANGE ACCESS

• Capped by Statute

A3.5	MONTHLY RATES (MESSAGE RATE BUSINESS)
A3.5	MONTHLY RATES (Multiline Flat RATE BUSINESS) *
A3.6	ROTARY •
A3.13	NETWORK ACCESS REGISTER USAGE PACKAGE
A3.28	TRUNK SIDE ACCESS FACILITY
A3.35	NETWORK ACCESS SERVICE
A3.38	BACKUP LINE
A12.01	ESSX SERVICE (Lines are Capped *)
A12.04	AUTOMATIC CALL DISTRIBUTION - ESS SYSTEMS
A12.05	ELECTRONIC TANDEM SWITCHING FEATURES
A12.06	MISCELLANEOUS SERVICE ARRANGEMENTS - 1/1A ESS SWITCHES
A12.13	DIGITAL ESSX SERVICE (Lines are Capped *)
A12.15	ESSX MULTI-ACCOUNT SERVICE
A12.17	DIGITAL ELECTRONIC TANDEM SWITCHING FEATURES
A12.18	ESSX XSDN SERVICE
A13.05	ARRANGEMENTS FOR NIGHT, SUNDAY, & HOLIDAY SVC.
A13.13	DORMITORY COMMUNICATIONS SERVICE
A13.18	NETWORK FACILITIES FOR USE WITH 976 SERVICE
A112.01	CENTREX SERVICE TO MILITARY BASES
A112.02	CENTREX-CO SERVICE
A112.03	ESSX-1 AUXILIARY SERVICES
A112.04	AUTOMATIC CALL DISTRIBUTION - ESS SYSTEMS
A112.05	ELECTRONIC TANDEM SWITCHING FEATURES
A112.08	ESSX-1 SERVICE
A112.09	ESSX-1 ELECTRONIC TANDEM SWITCHING FEATURES
A112.10	MISCELLANEOUS SERVICE ARRANGEMENTS - 1/1A ESS SWITCH
A112.11	ESSX, CENTREX, & ESSX-1 CUSTOMER MANAGEMENT FEATURES
A112.12	ESSX SERVICE - 85
A112.13	DIGITAL ESSX SERVICE - 85
A112.14	ELECTRONIC TANDEM SWITCHING FEATURES
A112.15	ESSX SERVICE - 88
A112.16	DIGITAL ESSX SERVICE - 88
A112.19	DIGITAL ELECTRONIC BUSINESS SET SERVICE II
A112.20	ESSX SERVICE VINTAGE 2, SIMPLIFIED MESSAGE DESK INTERFACE
A112.22	ESSX SERVICE OPTIONAL FEATURES, STATION MESSAGE DETAIL RECORDING
A112.23	DIGITAL ESSX SERVICE OPTIONAL FEATURES, STATION MESSAGE DETAIL RECORDING
A113.04	ARRANGEMENTS FOR NIGHT, SUNDAY, HOLIDAY SVC.
A113.05	EXTENSION SERVICE & TIE LINES
A113.18	NETWORK FACILITIES FOR USE W/976 SERVICE
A114.03	ESSX-1 CUSTOMER PREMISES ATTENDANT SERVICES

BUSINESS OPTIONAL SERVICES

A4.3	CHARGES FOR CONNECTING OR CHANGING SERVICE
A4.4	DUAL SERVICE
A3.22	LOCAL USAGE DETAIL
A4.06	SPECIAL NUMBER ASSIGNMENT CHARGE
A5.03	ADDITIONAL ENGINEERING, LABOR, & MISCELLANEOUS CHARGES
A6.04	NON-PUBLISHED (PRIVATE) LISTING
A6.05	NON-LISTED (SEMI PRIVATE) LISTING
A6.06	ADDITIONAL LISTING
A6.07	MISCELLANEOUS LISTING
A8.02	TELEPHONE ANSWERING SERVICE FACILITIES
A8.03	CENTRAL OFFICE CONCENTRATOR SERVICE
A9.01	FOREIGN EXCHANGE SERVICE
A9.02	FOREIGN CENTRAL OFFICE SERVICE
A9.03	INTERIM FOREIGN EXCHANGE SERVICE
A11.05	PBX IOD FROM CUSTOMER-PREMISE LOCATED SWITCHING SYSTEMS
A12.07	DIRECT-INWARD DIALING (DID) SERVICE
A12.08	IDENTIFIED-OUTWARD DIALING(IOD)FROM PBX SYSTEMS
A12.16	PRESTIGE COMMUNICATIONS SERVICE (PCS)
A13.01	EXTENSION SERVICES
A13.03	APARTMENT DOOR ANSWERING SERVICES
A13.04	SPECIAL BILLING SERVICES
A13.09	CUSTOM CALLING SERVICES
A13.11	REMOTE CALL FORWARDING SERVICE
A13.14	TOLL TRUNKS (TOLL TERMINALS)
A13.19	TOUCHSTAR SERVICE
A13.20	CALL SCREENING AND RESTRICTION SERVICES CUSTOMIZED CODE RESTRICTION
A13.22	WATCH ALERT SERVICE
A13.24	DUPLICATE BILL CHARGES
A31.02	AREA COMMUNICATION SERVICE - MULTI-LOCATION BUSINESS SERVICE
A13.33	MULTIFEATURE DISCOUNT PLAN
A13.34	RINGMASTER SERVICE
A13.41	EXCHANGE LINE DATA SERVICE
A13.46	SIMPLIFIED MESSAGE DESK INTERFACE (SMDI)
A13.47	MESSAGE WAITING INDICATION - AUDIBLE (MWI)
A13.49	SURROGATE CLIENT NUMBER
A13.53	MULTILINE HUNT QUEUING
A13.56	HOT LINE SERVICE
A13.57	WARM LINE SERVICE
A13.58	UNIFORM ACCESS NUMBER
A13.59	AUTOMATIC NUMBER IDENTIFICATION
A13.60	CUSTOM SERVICE AREA
A13.61	ANSWER SUPERVISION
A13.62	CALL DETAIL INFORMATION

BUSINESS OPTIONAL SERVICES (continued)

A14.01 NETWORK INTERFACE EQUIPMENT
A14.02 TOLL RESTRICTION (BATTERY REVERSAL IN CO)
A14.03 BREAK IN ROTARY NUMBER GROUP
A14.04 HIGH VOLTAGE PROTECTION EQUIPMENT
A14.07 MESSAGE REGISTER SERVICE
A14.08 CUSTOMER PREMISES ATTENDANT SERVICES
A15.04 TROUBLE LOCATION CHARGE
A24.01 ENHANCED 911 EMERGENCY SERVICE
A28.03 PERSONAL SIGNALING SERVICE
A29.7 ADMINISTRATIVE MANAGEMENT SERVICE
A34.01 AIN SERVICE MANAGEMENT SYSTEM STORAGE
A34.02 AIN ASSIGNMENT OF DEDICATED 203-XXXX NUMBERS
A34.03 AIN ROUTING SERVICE
A37.01 BILL PROCESSING SERVICE
A39.01 ABBREVIATED DIALING - N11 SERVICE
A42.01 ISDN INDIVIDUAL BUSINESS SERVICE
A105.01 ADDITIONAL ENGINEERING, LABOR, & MISCELLANEOUS CHARGES
A108.02 CONCENTRATOR - IDENTIFIER UNITS
A108.04 AUTOTAS ANSWERING SYSTEM CONCENTRATOR
A109.01 FOREIGN EXCHANGE SERVICE
A112.17 PRESTIGE COMMUNICATIONS PACKAGE
A112.18 PRESTIGE SINGLE LINE SERVICE
A112.21 PRESTIGE DELUXE SERVICE
A112.24 CUSTOMIZED DIALING PACKAGE
A113.03 MULTI-STATION 1-WAY CIRCUIT ARRANGEMENT FOR MANUAL
CO's & CDO's
A113.10 CUSTOM CALLING SERVICES
A113.11 NETWORK FACILITIES FOR PUBLIC ANNOUNCEMENT SERVICES
A113.19 TICKETTAKER SERVICE
A113.20 CALLER ID MULTILINE
A114.01 SPECIAL LINE FILTER
A115.01.01 TERMINAL EQUIPMENT FOR RECORDING 2-WAY CONVERSATIONS
A115.01.02 TELEPHOTOGRAPH EQUIPMENT
A115.01.03 DATA TRANSMITTING AND/OR RECEIVING TERMINAL EQUIPMENT
A115.01.04 VOICE TRANSMITTING AND/OR RECEIVING TERMINAL
EQUIPMENT
A115.01.05 ALARM DETECTION AND REPORTING EQUIPMENT
A115.01.06 DICTATION RECORDING EQUIPMENT
A115.02 COMMUNICATIONS SYSTEMS
B104.01 VOICE COMMUNICATING EQUIPMENT
B104.02 DATA COMMUNICATING EQUIPMENT
E8. BILLING AND COLLECTIONS SERVICES

RESIDENTIAL NON-BASIC EXCHANGE ACCESS

A3.05 MONTHLY RATES (MESSAGE RATE RESIDENTIAL)
A42.02 ISDN INDIVIDUAL RESIDENCE SERVICE

RESIDENTIAL OPTIONAL SERVICES

A2.04 RETURNED CHECK/BANK DRAFT
A3.22 LOCAL USAGE DETAIL
A4.06 SPECIAL NUMBER ASSIGNMENT CHARGE
A4.07 LINK-UP FLORIDA
A5.03 ADDITIONAL ENGINEERING, LABOR, & MISCELLANEOUS CHARGES
A6.04 NON-PUBLISHED (PRIVATE) LISTING
A6.05 NON-LISTED (SEMI PRIVATE) LISTING
A6.06 ADDITIONAL LISTING
A6.07 MISCELLANEOUS LISTING
A13.09 CUSTOM CALLING SERVICES
A13.11 REMOTE CALL FORWARDING SERVICE
A13.19 TOUCHSTAR SERVICE
A13.20 CALL SCREENING AND RESTRICTION SERVICES CUSTOMIZED CODE
RESTRICTION
A13.24 DUPLICATE BILL CHARGES
A13.33 MULTIFEATURE DISCOUNT PLAN
A13.34 RINGMASTER SERVICE
A13.49 SURROGATE CLIENT NUMBER
A15.04 TROUBLE LOCATION CHARGE
A105.01 ADDITIONAL ENGINEERING, LABOR, & MISCELLANEOUS CHARGES
A112.24 CUSTOMIZED DIALING PACKAGE
A113.10 CUSTOM CALLING SERVICES
A113.20 CALLER ID MULTILINE
A13.22 WATCHALERT

TOLL SERVICES

A18.03 TWO-POINT SERVICE
A18.13 CALLING PLANS - SAVER SERVICE
A19.05 WIDE AREA TELECOMMUNICATIONS SERVICE
A118.01 TWO-POINT SERVICE
A119.05 WIDE AREA TELECOMMUNICATIONS SERVICE

TRANSPORT SERVICES

A29.01	DERIVED DATA CHANNEL SERVICE
A29.02	DATA TRANSPORT SERVICE ACCESS CHANNEL SERVICE
A29.05	PULSELINK PUBLIC PACKET SWITCHING NETWORK SERVICE
A29.06	ACCUPULSE SERVICE
A32.01	INTEGRATION PLUS MANAGEMENT SVC (FLEXSERV, NUIS)
A32.3	FLEXSERV SERVICE
A32.4	NETWORK USAGE INFORMATION SERVICES (NUIS)
A40.03	NATIVE MODE LAN INTERCONNECTION SERVICE
A113.12	CENTRAL OFFICE LOCAL AREA NETWORK
A114.02	PRIVATE LINE SAMPLING ARRANGEMENT
A129.02	DATA TRANSPORT ACCESS CHANNEL SERVICE
A129.04	FLEXSERV - DIGITAL ACCESS CROSS CONNECT
B2.04	SERVICE ORDER MODIFICATIONS
B2.06	TROUBLE DETERMINATION CHARGE
B3.04	VG/SUB VG/WIRED MUSIC SVC/COMERCIAL QLTY VIDEO
B5.03	ADDITIONAL ENGINEERING, LABOR, & MISCELLANEOUS CHARGES
B7.01	MEGALINK SERVICE
B7.02	SYNCHRONET SERVICE
B7.03	MEGALINK CHANNEL SERVICE
B7.04	LIGHTGATE SERVICE
B7.05	MEGALINK ISDN SVC
B7.08	SMARTPATH SERVICE
B7.7	SMARTRING
B103.01	INTRAEXCHANGE INTRALATA CHANNELS
B103.02	INTEREXCHANGE INTRALATA CHANNELS
B103.03	INTRALATA CHANNEL CONDITIONING
B103.07	MULTIPOINT SERVICE & MULTISTATION ARRANGEMENTS
B103.09	SUB VOICE GRADE SERVICES - SERIES 1000 CHANNELS
B106.03	DATAPHONE DIGITAL SERVICE
E11.02	SPECIAL FACILITIES ROUTING OF ACCESS SERVICES
E13.	ENGINEERING LABOR & MISCELLANEOUS SERVICES

PUBLIC AND SEMI-PUBLIC TELEPHONE

A4.03	CHARGES FOR CONNECTING OR CHANGING SERVICE
A7.01	PUBLIC TELEPHONE SERVICE EQUIPMENT
A7.01	PUBLIC TELEPHONE SERVICE MESSAGE CHARGES
A7.02	SEMI-PUBLIC TELEPHONE SERVICE EQUIPMENT AND ACCESS LINE
A7.02	SEMI-PUBLIC TELEPHONE MESSAGE CHARGES
A7.03	COIN/COINLESS CREDIT CARD SERVICE
A7.06	PUBLIC SET USE FEE
A7.09	LOCAL USAGE DETAIL
A107.01	SEMI PUBLIC TELEPHONE SERVICE

OPERATOR SERVICES

A3.09	LOCAL DIRECTORY ASSISTANCE SERVICE
A3.10	OPERATOR ASSISTED LOCAL AND LOCAL CALLING CARD CALLS
A3.11	LOCAL OPERATOR VERIFICATION/INTERRUPT SERVICE
A3.24	LOCAL DA CALL COMPLETION SERVICE
A3.25	DA/DA CALL COMPLETION SERVICE (MSP's ONLY)
A13.12	SELECTIVE CLASS OF CALL SCREENING SERVICE
A13.16	LOCAL CONFERENCE SERVICE
A13.17	LIST SERVICE
A13.51	ELECTRONIC WHITE PAGES
A18.04	CONFERENCE SERVICE
A18.07	INTRA-NPA LONG DISTANCE DIRECTORY ASSISTANCE SERVICE
A18.08	INTRALATA LONG DISTANCE OPERATOR VERIFICATION/INTERRUPT SERVICE
A38.01	DIRECTORY ASSISTANCE DATABASE SERVICES
A38.02	DIRECTORY PUBLISHERS DATABASE SERVICE
E18.	OPERATOR SERVICES

OTHER NON-BASIC SERVICES

A2.04	LATE PAYMENT CHARGES
A3.8	INTERSTATE SUBSCRIBER LINE CHARGE WAIVER AND MATCHING PROGRAM
A13.15	911 EMERGENCY SERVICE - 8A KEY TELEPHONE SYSTEM
A13.50	TELECOMMUNICATION SVC. PRIORITY (TSP) SYSTEM
A30.02	EQUIPMENT FOR DISABLED CUSTOMERS - OUTRIGHT SALE
A30.03	EQUIPMENT FOR DISABLED CUSTOMERS - MONTH-TO-MONTH
A113.01	GROUP EMERGENCY ALERTING AND DISPATCHING SYSTEMS
A113.02	MUNICIPAL & INDUSTRIAL EMERGENCY REPORTING SYSTEMS
A124.01	UNIVERSAL EMERGENCY NUMBER SERVICE - 911
A124.02	ENHANCED UNIVERSAL EMERGENCY NUMBER SERVICE - 911
B2.01	TELECOMMUNICATIONS SERVICE PRIORITY

SERVICE CONNECTION CHARGES

A4.03	CHARGES FOR CONNECTING OR CHANGING SERVICE (FLAT RATE BUSINESS AND RESIDENTIAL)
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19. November 13, 1995 letter and attachment from Nancy H. Sims to Walter D'Haeseleer regarding responses to verbal requests made by staff in the non basic service category workshop.

BellSouth Telecommunications, Inc. Fax 904 222-8640
Suite 400 904 222-1201
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director - Regulatory Relations

November 13, 1995

Mr. Walter D'Haeseleer
Director, Division of Communication
Florida Public Service Commission
2540 Shumard Oak Boulevard
Gerald L. Gunter Building, Rm. 270
Tallahassee, Florida 32399-0850

Dear Mr. D'Haeseleer:

BellSouth is submitting its responses to the verbal requests made by the Staff in the Non Basic Service Category Workshop which was held on October 30, 1995. The information requested included 1) a sample priceout of an increase in an existing non basic service, 2) a sample priceout of a new service, 3) total revenue associated with capped non basic services, and 4) distinction in service order charges for basic flat rate service.

Priceout Analysis (existing non basic service)
(Refer to Attachment A)

One way to determine whether or not a price increase or series of price increases are within the allowed level of increases is through a priceout as illustrated in Attachment A labeled "Present and Proposed Rates and Revenues." In this illustration there is a price increase for Call Waiting and 3 Way Calling. A priceout involves taking the present annual demand for each product in the category (column 4) and multiplying by the present rate for each product (column 6) to yield a present annual revenue (10) for the category. Then the the present annual demand for the products that are to be increased in the category (column 4) is multiplied by the proposed rate (column 7) to give the proposed annual revenue (column 11). The difference between the present annual revenue and the proposed annual revenue is the annual revenue change (column 12) which is \$13,903,529. This information is then summarized into the market basket summary of annual revenues worksheet for the entire category of residence ancillary services. The revenue change divided into the present total revenue is 4.6%.

New Service Priceout and Relevant Demand Levels

Price regulation priceouts should be based upon a specific demand level that stays constant over the test period. To accomplish this BellSouth would file the initial demand and revenue for all services within a category. Any price change for the test period would be benchmarked against these numbers. This is

Walter D'Haeseleer
November 13, 1995
Page 2

necessary to both insure that the actual percentage change in price is properly recorded for the whole category and that the change is not diluted with increases in revenue associated with increased demand. Likewise, new services should be set aside from the priceout calculations until the next test period. At the next test period the actual demand for both the new service and existing services and their associated revenues are updated into the new priceout.

Total Revenue - Capped Non Basic Services

For "order of magnitude" use, the annual revenue attributed to the non basic services which are capped is \$412,941,852 (see Attachment B for the priceout).

Service Ordering Charges for Basic Service

Regarding Service Ordering charges for basic flat rate residence and business lines, BellSouth can distinguish between residence and business, but cannot distinguish between flat and measured or message rate service.

If you have any further questions, please advise.

Sincerely,


Nancy H. Sims
Director-Regulatory Relations

cc: MaryRose Sirianni

Florida Non Basic Priceout Example for Tariff Increase

Assumptions

- 1) Price Increase In Residence Ancillary for Call Waiting and 3 Way Calling of \$0.50 per month.
- 2) Priceout is based on filed historical demand using the data provided on 9/12/95 in our response to your request of August 1, 1995 concerning "Categories "Non Basic Services.
- 3) There is Competition in 4 exchanges; Miami, Ft Lauderdale, Orlando and Jacksonville.

Florida 12/94 Access Line Quantities
Summary of Competitive Exchanges

	Lines In Exchange	Exchange %	Lines In LCA	LCA %
Miami	964,096	18.96	1,236,381	24.31
Ft Lauderdale	424,640	8.35	942,357	18.53
Jacksonville	376,010	7.39	479,306	9.42
Orlando	328,854	6.47	463,306	11.08
Total	2,093,600	41.17		
Fla Total	5,085,739			

Weighted Category Increase Calculation

Competitive Increase	41.17%	x	20%	=	8.23%
Non Competitive Increase	58.83%	x	6%	=	3.53%
Total Allowed Basket Increase					11.76%
Total Increase With Current Price Change (Residence Ancillary Market Basket Summary Attachment A page 4 of 4)					4.60%

STATE : FLORIDA

Present and Proposed Rates and Revenues
A013 MISCELLANEOUS SERVICE ARRANGEMENTS

Develop Date : 12/94
Page 1 of 1
Rev. Date : 10/31/95

RECURRING RATES

Tariff Section/ Page #	Service Description	USOC	Present Annual Demand	Proposed Annual Demand	Present Rate	Proposed Rate	\$ Change	% Change	Present Annual Revenue	Proposed Annual Revenue	Annual Revenue Change	MB Seg.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
A13/17	A13.9.3 CUSTOM CALLING SERVICES - RESIDENCE											
	3 WAY CALLING	RSC	5,336,297	5,336,297	\$3.30	\$3.80	\$0.50	15.15%	\$17,609,780	\$20,277,929	\$2,668,149	2312
A13/17	CALL WAITING	ESX	22,470,761	22,470,761	\$3.50	\$4.00	\$0.50	14.29%	\$78,647,664	\$89,883,044	\$11,235,380	2312
	A13.9.3 CUSTOM CALLING SERVICES - RESIDENCE								\$96,257,444	\$110,160,973	\$13,903,529	
							SUM-TOTAL					

STATE : FLORIDA
NON-BASIC MARKET BASKET PRICEOUT
Residence Ancillary

Market Basket Summary of Annual Revenues

Develop Date : 12/94
Page 1 of 2
Run Date : 10/11/95

SERVICE ID NUMBER	SERVICE DESCRIPTION	PRESENT REVENUE TOTAL	PROPOSED REVENUE TOTAL	\$ REVENUE CHANGE	PERCENT CHANGE
(1)	(2)	(3)	(4)	(5)	(6)
2301	RETURNED CHECK/BANK DRAFT - RES ANC				
2302	LATE PAYMENT CHARGES - RES ANC	\$2,810,160	\$2,810,160	\$0	0.0%
2303	MESSAGE/MEASURED RATE RESIDENTIAL SERVICE - RES ANC	\$20,750,520	\$20,750,520	\$0	0.0%
2304	LOCAL USAGE DETAIL - RES ANC	\$19,486,700	\$19,486,700	\$0	0.0%
2305	CHARGES FOR CONNECTING OR CHANGING SERVICE - RES ANC	\$0	\$0	\$0	0.0%
2306	SPECIAL NUMBER ASSIGNMENT CHARGE - RES ANC	\$61,725,166	\$61,725,166	\$0	0.0%
2307	LINK-UP FLORIDA - RES ANC	\$178,350	\$178,350	\$0	0.0%
2308	ADDITIONAL ENGINEERING, LABOR, & MISCELLANEOUS CHARGES - RES ANC	(\$5,054)	(\$5,054)	\$0	0.0%
2309	NON-PUBLISHED (PRIVATE) LISTING - RES ANC	\$0	\$0	\$0	0.0%
2310	NON-LISTED (SEMI PRIVATE) LISTING - RES ANC	\$18,261,457	\$18,261,457	\$0	0.0%
2311	ADDITIONAL LISTING/MISCELLANEOUS LISTING - RES ANC	\$787,538	\$787,538	\$0	0.0%
2312	CUSTOM CALLING SERVICES - RES ANC	\$835,192	\$835,192	\$0	0.0%
2313	REMOTE CALL FORWARDING SERVICE - RES ANC	\$119,050,532	\$132,954,061	\$13,903,529	11.7%
2314	TOUCHSTAR SERVICE - RES ANC	\$340,420	\$340,420	\$0	0.0%
2315	CALL SCREENING AND RESTRICTION SERVICES CUSTOMIZED CODE RESTRICTION - RES ANC	\$44,554,040	\$44,554,040	\$0	0.0%
2316	DUPLICATE BILL CHARGES - RES ANC	\$3,353,636	\$3,353,636	\$0	0.0%
2317	MULTIFEATURE DISCOUNT PLAN - RES ANC	\$0	\$0	\$0	0.0%
2318	RINGMASTER SERVICE - RES ANC	(\$18,875,579)	(\$18,875,579)	\$0	0.0%
2319	SUBROGATE CLIENT NUMBER - RES ANC	\$6,105,794	\$6,105,794	\$0	0.0%
2320	TROUBLE LOCATION CHARGE - RES ANC	\$172	\$172	\$0	0.0%
2321	EQUIPMENT FOR DISABLED CUSTOMERS - OUTRIGHT SALE - RES ANC	\$0	\$0	\$0	0.0%
2322	EQUIPMENT FOR DISABLED CUSTOMERS - MONTH-TO-MONTH - RES ANC	\$48,092	\$48,092	\$0	0.0%
2323	ISDN INDIVIDUAL RESIDENCE SERVICE - RES ANC	\$35,605	\$35,605	\$0	0.0%
2324	CUSTOMIZED DIALING PACKAGE - RES ANC	\$10,849	\$10,849	\$0	0.0%
2325	WATCHALERT SERVICE - RES ANC	\$63,945	\$63,945	\$0	0.0%
2326	RESIDENTIAL MINTING - RES ANC	\$308,358	\$308,358	\$0	0.0%
2327	LOCAL EXCEPTIONS - ECS/LCP/OCS/KLCS - RES ANC	\$663,946	\$663,946	\$0	0.0%
2328	ORAS BUY-IN AND USAGE - RES ANC	\$10,601,603	\$10,601,603	\$0	0.0%
		\$4,845,888	\$4,845,888	\$0	0.0%

STATE : FLORIDA
NON-BASIC MARKET BASKET PRICEOUT
Residence Ancillary

Market Basket Summary of Annual Revenues

Develop Date : 12/94
Page 2 of 2
Run Date : 10/31/95

SERVICE ID NUMBER ----- (1)	SERVICE DESCRIPTION ----- (2)	PRESENT REVENUE TOTAL ----- (3)	PROPOSED REVENUE TOTAL ----- (4)	\$ REVENUE CHANGE ----- (5)	PERCENT CHANGE ----- (6)
2329	DUAL SERVICE - RES ANC	\$193,320	\$193,320	\$0	0.0%
2330	PRESTIGE COMMUNICATIONS - RES ANC	\$714,754	\$714,754	\$0	0.0%
2331	EXCHANGE LINE DATA SERVICE - RES ANC	\$10,945	\$10,945	\$0	0.0%
2332	MESSAGE WAITING INDICATION - ADDIBLE (MWI) - RES ANC	\$2,000,612	\$2,000,612	\$0	0.0%
2333	HOT LINE SERVICE - RES ANC	\$17	\$17	\$0	0.0%
2334	WARM LINE SERVICE - RES ANC	\$12	\$12	\$0	0.0%
2335	EXTENSION SERVICE & TIE LINES - RES ANC	\$251,541	\$251,541	\$0	0.0%
2336	AUXILIARY EQUIPMENT - RES ANC	\$34,858	\$34,858	\$0	0.0%
	TOTAL	\$299,173,309	\$311,076,838	\$11,903,529	4.6%

TOTAL CAPPED REVENUE

STATE FLORIDA
NON-BASIC MARKET BASKET PRICEOUT
Business Services

Market Basket Summary of Annual Revenue

Develop Date : 12/84
Page : 2 of 14
Plan Date : 08/12/95

SERVICE ID NUMBER	SERVICE DESCRIPTION		PRESENT REVENUE TOTAL	PROPOSED REVENUE TOTAL	\$ REVENUE CHANGE	PERCENT CHANGE
(1)	(2)		(3)	(4)	(5)	(6)
2101	MESSAGE MEASURED RATE BUSINESS SERVICE - BUS SVC	1	\$10,260,534	\$10,260,534	\$0	0.0%
2102	NETWORK ACCESS REGISTER USAGE PACKAGE - BUS SVC	1	\$22,282,531	\$22,282,531	\$0	0.0%
2104	NETWORK ACCESS SERVICE - BUS SVC	1	\$48,885	\$48,885	\$0	0.0%
2106	BACKUP LINE - BUS SVC	1	\$2,113	\$2,113	\$0	0.0%
2106	ESSX SERVICE - BUS SVC	1	\$15,440,597	\$15,440,597	\$0	0.0%
2107	AUTOMATIC CALL DISTRIBUTION - ESS SYSTEMS - BUS SVC	1	\$0	\$0	\$0	0.0%
2108	ELECTRONIC TANDEM SWITCHING FEATURES - BUS SVC	1	\$4,008	\$4,008	\$0	0.0%
2108	MISCELLANEOUS SERVICE ARRANGEMENTS - 1/1A ESS SWITCHES - BUS SV	1	\$0	\$0	\$0	0.0%
2110	DIGITAL ESSX SERVICE - BUS SVC	1	\$21,390,511	\$21,390,511	\$0	0.0%
2111	ESSX MULTI-ACCOUNT SERVICE - BUS SVC	1	\$0	\$0	\$0	0.0%
2112	DIGITAL ELECTRONIC TANDEM SWITCHING FEATURES - BUS SVC	1	\$181,812	\$181,812	\$0	0.0%
2113	ESSX ISDN SERVICE - BUS SVC	1	\$443,664	\$443,664	\$0	0.0%
2114	ARRANGEMENTS FOR NIGHT, SUNDAY, & HOLIDAY SVC. - BUS SVC	1	\$0,114	\$0,114	\$0	0.0%
2116	DORMITORY COMMUNICATIONS SERVICE - BUS SVC	1	\$83,368	\$83,368	\$0	0.0%
2118	NETWORK FACILITIES FOR USE WITH OPS SERVICE - BUS SVC	1	\$193,182	\$193,182	\$0	0.0%
2117	CENTREX SERVICE TO MILITARY BASES - BUS SVC	1	\$0	\$0	\$0	0.0%
2118	CENTREX-CO SERVICE - BUS SVC	1	\$168,712	\$168,712	\$0	0.0%
2119	ESSX-1 AUXILIARY SERVICES - BUS SVC	1	\$8,518	\$8,518	\$0	0.0%
2120	AUTOMATIC CALL DISTRIBUTION - ESS SYSTEMS - BUS SVC	1	\$0	\$0	\$0	0.0%
2121	ESSX-1 SERVICE - BUS SVC	1	\$215,188	\$215,188	\$0	0.0%
2122	ELECTRONIC TANDEM SWITCHING FEATURES - BUS SVC	1	\$0	\$0	\$0	0.0%
2123	ESSX, CENTREX, & ESSX-1 CUSTOMER MANAGEMENT FEATURES - BUS SVC	1	\$3,218	\$3,218	\$0	0.0%
2124	ELECTRONIC TANDEM SWITCHING FEATURES - BUS SVC	1	\$0	\$0	\$0	0.0%
2125	DIGITAL ELECTRONIC BUSINESS SET SERVICE N - BUS SVC	1	\$4,049	\$4,049	\$0	0.0%
2126	ESSX - SIMPLIFIED MESSAGE DESK INTERFACE - BUS SVC	1	\$0,844	\$0,844	\$0	0.0%
2127	ESSX - STATION MESSAGE DETAIL RECORDING - BUS SVC	1	\$53,484	\$53,484	\$0	0.0%
2128	DIGITAL ESSX - STATION MESSAGE DETAIL RECORDING - BUS SVC	1	\$11,008	\$11,008	\$0	0.0%
2129	ESSX-1 CUSTOMER PREMISES ATTENDANT SERVICES - BUS SVC	1	\$0	\$0	\$0	0.0%

TOTAL CAPPED REVENUE

STATE : FLORIDA
NON-BASIC MARKET BASKET PRICEOUT
Business Services

Market Basket Summary of Annual Revenues

Develop Date : 12/04
Page 3 of 14
Run Date 08/12/05

SERVICE ID NUMBER	SERVICE DESCRIPTION		PRESENT REVENUE TOTAL	PROPOSED REVENUE TOTAL	\$ REVENUE CHANGE	PERCENT CHANGE
(1)	(2)		(3)	(4)	(5)	(6)
2130	CHARGES FOR CONNECTING OR CHANGING SERVICE - BUS SVC	1	\$15,691,137	\$15,691,137	\$0	0.0%
2131	DUAL SERVICE - BUS SVC	1	\$226,240	\$226,240	\$0	0.0%
2132	BUSINESS HUNTING - BUS SVC	1	\$64,703,686	\$64,703,686	\$0	0.0%
2133	FLAT RATE MULTI-LINE BUSINESS SERVICE - BUS SVC	1	\$325,928,750	\$325,928,750	\$0	0.0%
	TOTAL		\$483,206,200	\$483,206,200	\$0	0.0%
	TOTAL CAPPED REVENUE		\$412,841,862			

*** Capped Services

20. March 6, 1996 letter and attachment from Nancy H. Sims to Jonathan Audu re: non basic service categories.

BellSouth Telecommunications, Inc. Fax 904 222-8640
Suite 400 904 222-1201
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director - Regulatory Relations

March 6, 1996

Jonathan Audu
Regulatory Analyst
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0866

RE: Non-Basic Services Categories

Dear Jonathan,

In response to your request, BellSouth is providing information regarding which non-basic services belong within each non-basic service category.

Attachment 1 is BellSouth's actual list of non-basic services according to category. We have indicated with an asterisk the items that are classified as capped. If you would like us to provide the list on a disk, please let us know. Attachment 2 simply reflects the changes made to the list you provided.

In addition, you had requested supplemental information regarding actual or estimated revenues of each non-basic service category as of January 1, 1996. We are in the process of compiling this information based on BellSouth's attached list. As we discussed, we intend to provide the information to you by April 1st and will file it as confidential.

If you have any questions or if I may be of further assistance, please be sure to call me at (904) 222-1201.

Sincerely,


Nancy H. Sims
Director - Regulatory Relations

NON-BASIC SERVICES
BUSINESS NON-BASIC EXCHANGE ACCESS

• Capped

A3.5	Monthly Rates (Message Rate Business)
A3.5	Monthly Rates (Multiline Flat Rate Business, PBX trunks) •
A3.6	Rotary •
A3.8	Monthly Exchange Rates (measured)
A3.13	Network Access Register Usage Package (Flat Rate NARS •)
A3.28	Trunk Side Access Facility
A3.35	Network Access Service •
A3.38	Backup Line
A12.1	ESSX Service (ESSX Lines Are Capped •)
A12.4	Automatic Call Distribution - ESS Systems
A12.5	Electronic Tandem Switching Features
A12.6	Miscellaneous Service Arrangements - 1/1A ESS Switches
A12.13	Digital ESSX Service (ESSX Lines Are Capped •)
A12.15	ESSX Multi-Account Service
A12.17	Digital Electronic Tandem Switching Features
A12.18	ESSX ISDN Service
A13.5	Arrangements For Night, Sunday, & Holiday Svc.
A13.13	Dormitory Communications Service
A13.18	Network Facilities For Use With 976 Service
A112.1	Centrex Service To Military Bases
A112.2	Centrex-CO Service
A112.3	ESSX-1 Auxiliary Services
A112.4	Automatic Call Distribution - ESS Systems
A112.5	Electronic Tandem Switching Features
A112.8	ESSX-1 Service
A112.9	ESSX-1 Electronic Tandem Switching Features
A112.10	Miscellaneous Service Arrangements - 1/1A ESS Switch
A112.11	ESSX, CENTREX, & ESSX-1 Customer Management Features
A112.12	ESSX Service - 85
A112.13	Digital ESSX Service - 85
A112.14	Electronic Tandem Switching Features
A112.15	ESSX Service - 88
A112.16	Digital ESSX Service - 88
A112.19	Digital Electronic Business Set Service II
A112.20	ESSX Service Vintage 2, Simplified Message Desk Interface
A112.22	ESSX Service Optional Features, Station Message Detail Recording
A112.23	Digital ESSX Service Optional Features, Station Message Detail Recording
A113.4	Arrangements For Night, Sunday, Holiday Svc.
A113.18	Network Facilities For Use W/976 Service
A114.3	ESSX-1 Customer Premises Attendant Services

NON-BASIC SERVICES
BUSINESS OPTIONAL SERVICES

A3.7	Enhanced Optional EAS (Business)
A3.8	ECS & LCP
A3.14	Expanded Local WATSaver Service
A3.22	Local Usage Detail
A4.3	Charges For Connecting Or Changing Service
A4.4	Dual Service
A5.3	Additional Engineering, Labor, & Miscellaneous Charges
A11.5	PBX IOD From Customer-Premise Located Switching Systems
A12.7	Direct-Inward Dialing (DID) Service
A12.8	Identified-Outward Dialing(IOD)From PBX Systems
A12.16	Prestige Communications Service (PCS)
A13.4	Special Billing Services
A13.9	Custom Calling Services
A13.11	Remote Call Forwarding Service
A13.14	Toll Trunks (Toll Terminals)
A13.19	Touchstar Service
A13.20	Call Screening And Restriction Services Customized Code Restriction
A13.22	Watch Alert Service
A13.24	Duplicate Bill Charges
A13.33	Multifeature Discount Plan
A13.34	Ringmaster Service
A13.41	Exchange Line Data Service
A13.46	Simplified Message Desk Interface (SMDI)
A13.47	Message Waiting Indication - Audible (MWI)
A13.49	Surrogate Client Number
A13.53	Multiline Hunt Queuing
A13.56	Hot Line Service
A13.57	Warm Line Service
A13.58	Uniform Access Number
A13.59	Automatic Number Identification
A13.60	Custom Service Area
A13.61	Answer Supervision
A13.62	Call Detail Information
A13.67	CO Blocking with Optional Screening
A28.3	Personal Signaling Service
A29.7	Administrative Management Service
A31.2	Area Communication Service - Multilocation Business Service

(CONTINUED ON NEXT PAGE)

NON-BASIC SERVICES
BUSINESS OPTIONAL SERVICES
(CONTINUED)

A34.1	AINS Service Management System Storage
A34.2	AINS Assignment Of Dedicated 203-Xxxx Numbers
A34.3	AINS Routing Service
A34.4	ADWATCH Service
A34.5	CrisisLink Service
A37.1	Bill Processing Service
A39.1	Abbreviated Dialing - N11 Service
A42.1	ISDN Individual Business Service
A105.1	Additional Engineering, Labor, & Miscellaneous Charges
A112.17	Prestige Communications Package
A112.18	Prestige Single Line Service
A112.21	Prestige Deluxe Service
A112.24	Customized Dialing Package
A113.3	Multi-Station 1-Way Circuit Arrangement For Manual Co's & Cdo's
A113.10	Custom Calling Services
A113.11	Network Facilities For Public Announcement Services
A113.19	Tickettaker Service
A113.20	Caller ID Multiline
A114.1	Special Line Filter
A115.1.1	Terminal Equipment For Recording 2-Way Conversations
A115.1.2	Telephotograph Equipment
A115.1.3	Data Transmitting And/Or Receiving Terminal Equipment
A115.1.4	Voice Transmitting And/Or Receiving Terminal Equipment
A115.1.5	Alarm Detection And Reporting Equipment
A115.1.6	Dictation Recording Equipment
A115.2	Communications Systems
B104.1	Voice Communicating Equipment
B104.2	Data Communicating Equipment
E8.	Billing And Collections Services

NON-BASIC SERVICES
RESIDENTIAL NON-BASIC EXCHANGE ACCESS

A3.5 Monthly Rates (Message Rate Residential)
A3.6 Rotary (Residential)
A3.8 Monthly Rates (Measured)

NON-BASIC SERVICES
RESIDENTIAL OPTIONAL SERVICES

A3.7	Enhanced Optional EAS (Residential)
A3.22	Local Usage Detail
A4.4	Dual Service
A4.7	Link-Up Florida
A5.3	Additional Engineering, Labor, & Miscellaneous Charges
A12.16	Prestige Communications Service (PCS)
A13.9	Custom Calling Services
A13.11	Remote Call Forwarding Service
A13.19	Touchstar Service
A13.20	Call Screening And Restriction Services Customized Code Restriction
A13.24	Duplicate Bill Charges
A13.33	Multifeature Discount Plan
A13.34	Ringmaster Service
A13.41	Exchange Line Data Service
A13.47	Message Waiting Indication - Audible (MWI)
A13.49	Surrogate Client Number
A13.56	Hot Line Service
A13.57	Warm Line Service
A42.2	ISDN Individual Residence Service
A105.1	Additional Engineering, Labor, & Miscellaneous Charges
A112.17	Prestige Communications Package
A112.18	Prestige Single Line Service
A112.24	Customized Dialing Package
A113.10	Custom Calling Services
A113.20	Caller ID Multiline
A13.22	Watchalert

NON-BASIC SERVICES
TOLL SERVICES

A18.3	Two-Point Service
A18.7	Intra-NPA Long Distance Directory Assistance Service
A18.13	Calling Plans - Saver Service
A19.5	Wide Area Telecommunications Service
A118.1	Two-Point Service
A119.5	Wide Area Telecommunications Service

NON-BASIC SERVICES
TRANSPORT SERVICES

A8.2	Telephone Answering Service Facilities
A8.3	Central Office Concentrator Service
A9.1	Foreign Exchange Service
A9.2	Foreign Central Office Service
A9.3	Interim Foreign Exchange Service
A9.4	Local Usage Detail (FX)
A13.1	Extension Services
A29.1	Derived Data Channel Service
A29.2	Data Transport Service Access Channel Service
A29.5	Pulselink Public Packet Switching Network Service
A29.6	Accupulse Service
A32.1	Integration Plus Management Svc (Flexserv, NUIS)
A32.3	Flexserv Service
A32.4	Network Usage Information Services (NUIS)
A40.1	Frame Relay Service
A40.3	Native Mode LAN Interconnection Service
A40.4	Connectionless Data Service
A40.5	Broadband Data Line Service
A108.2	Concentrator -Identifier Units
A108.4	Autotas Answering System Concentrator
A109.1	Foreign Exchange Service
A113.5	Extension Service & Tie Lines
A113.12	Central Office Local Area Network
A114.2	Private Line Sampling Arrangement
A129.2	Data Transport Access Channel Service
A129.4	Flexserv - Digital Access Cross Connect
B2.4	Service Order Modifications
B2.6	Trouble Determination Charge
B3.4	Vg/Sub Vg/Wired Music Svc/Commercial Qlty Video
B5.3	Additional Engineering, Labor, & Miscellaneous Charges
B7.1	Megalink Service
B7.2	Synchronet Service
B7.3	Megalink Channel Service
B7.4	Lightgate Service
B7.5	Megalink ISDN Svc
B7.7	Smartring
B7.8	Smartpath Service
B103.1	Intraexchange Intralata Channels
B103.2	Interexchange Intralata Channels
B103.3	Intralata Channel Conditioning
B103.7	Multipoint Service & Multistation Arrangements
B103.9	Sub Voice Grade Services - Series 1000 Channels
B106.3	Dataphone Digital Service
E11.2	Special Facilities Routing Of Access Services
E13.	Engineering Labor & Miscellaneous Services

NON-BASIC SERVICES
PUBLIC AND SEMI PUBLIC TELEPHONE

A4.3	Charges For Connecting Or Changing Service
A7.1	Public Telephone Service Equipment
A7.1	Public Telephone Service Message Charges
A7.2	Semi-Public Telephone Service Equipment And Access Line
A7.2	Semi-public Telephone Message Charges
A7.3	Coin/Coinless Credit Card Service
A7.6	Public Set Use Fee
A7.9	Local Usage Detail
A107.1	Semi Public Telephone Service

NON-BASIC SERVICES
OPERATOR SERVICES

A3.10	Operator Assisted Local And Local Calling Card Calls
A3.11	Local Operator Verification/Interrupt Service
A3.24	Local DA Call Completion Service
A3.25	DA/DA Call Completion Service (MSP'S Only)
A13.12	Selective Class Of Call Screening Service
A13.16	Local Conference Service
A13.17	List Service
A13.51	Electronic White Pages
A18.4	Conference Service
A18.8	Intralata Long Distance Operator Verification/Interrupt Service
A18.14	Toll Directory Assistance Call Completion Service
A38.1	Directory Assistance Database Services
A38.2	Directory Publishers Database Service
E18.	Operator Services

NON-BASIC SERVICES
LOCAL DIRECTORY ASSISTANCE AND DIRECTORY SERVICES

A3.9	Local Directory Assistance Service
A6.4	Non-Published (Private) Listing
A6.5	Non-Listed (Semi Private) Listing
A6.6	Additional Listing
A6.7	Miscellaneous Listing

NON-BASIC SERVICES
OTHER NON BASIC SERVICES

A2.4	Returned Check/Bank Draft
A2.4	Late Payment Charges
A3.8	Interstate Subscriber Line Charge Waiver And Matching Program
A4.6	Special Number Assignment Charge
A13.3	Apartment Door Answering Services
A13.15	911 Emergency Service - 8a Key Telephone System
A13.50	Telecommunication Svc. Priority (TSP) System
A14.1	Network Interface Equipment
A14.2	Toll Restriction (Battery Reversal In CO)
A14.3	Break In Rotary Number Group
A14.4	High Voltage Protection Equipment
A14.7	Message Register Service
A14.8	Customer Premises Attendant Services
A15.4	Trouble Location Charge
A24.1	Enhanced 911 Emergency Service
A30.2	Equipment For Disabled Customers - Outright Sale
A30.3	Equipment For Disabled Customers - Month-To-Month
A113.1	Group Emergency Alerting And Dispatching Systems
A113.2	Municipal & Industrial Emergency Reporting Systems
A115	Terminal Equipment
A124.1	Universal Emergency Number Service - 911
A124.2	Enhanced Universal Emergency Number Service - 911
A130	Equipment for Disabled Customers
B2.1	Telecommunications Service Priority

BUSINESS:

NON-BASIC EXCHANGE ACCESS

- A3.5 Monthly Rates (Measured) , PBX trunks)
 A3.5 Monthly Rates (MLine Flat *
 A3.6 Rotary *
 A3.13 Network Access Register (Flat Rate NARS *)
 A3.20 Trunk Side Access
 A3.35 Network Access Svc *
 A3.36 Backup Line
 A12.1 A12.04 ESX Svc (ESSX Lines Are capped *)
 A12.4 A12.04 Automatic Call Distr. ESS
 A12.5 A12.05 Elec. Tandem Switching
 A12.6 A12.06 Misc. Svc Arrangements
 A12.13 Digital ESX (ESSX Lines Are capped *)
 A12.15 ESX Multi-Account
 A12.17 Digital Elec. Tandem Switch.
 A12.18 ESX ISDN
 A13.5 A13.05 Nights/Sundays/Holiday Svc
 A13.13 Dormitory Communications
 A13.18 Network Facilities/978
 A112.1 A112.01 Centrex - Military
 A112.2 A112.02 Centrex - Co Svc
 A112.3 A112.03 ESX-1 Auxiliary
 A112.4 A112.04 Automatic Call Distr. ESS
 A112.5 A112.05 Elec. Tandem Switching
 A112.8 A112.08 ESX-1
 A112.9 A112.09 ESX-1, Elec. Tandem
 A112.10 Misc. Svc Arrangements
 A112.11 ESX-1/Centrex Cust. - Mgmt
 A112.12 ESX-05
 A112.13 Digital ESX-05
 A112.14 Elec. Tandem Switch.
 A112.15 ESX-06
 A112.16 Digital ESX-06
 A112.17 Prestige Comm. Package → TO Bus. opt. (already repeated there)
 A112.20 ESX- Vintage 2
 A112.22 ESX-Optional
 A112.23 Digital ESX-Optional
 A113.4 A113.04 Nights/Sundays/Holiday Svc
 A113.5 A113.05 Ext. Svc & Tie Lines → TO Transport
 A113.18 Network Facilities/978
 A114.3 A114.03 ESX-1 CP Attendant
 A13.7.5 -- Instant Call Acct.
 A13.8 Night, Sunday & Holiday Svc.
 A13.10 Toll Terminals
 A13.12 Community Fire Reporting
 A13.14.2 Smart Call Svc
 A13.14.4 Custom CLASS
 A13.15 List Svc
 A13.16 Dial DataLink
 A13.20 DID-100
 A13.21 Mobile/Radio Line Usage
 A13.22 Break in Rotary Group
 A13.24 Restricted Sent Paid Svc
 A13.25 Remote Call Forwarding
- Delete; NOT in our tariffs listed this way

A3.8 Monthly Exchange Rates (measured)

A112.19 Digital Electronic Business Set Service II

BUSINESS:
 OPTIONAL SERVICE

- A4.3 Chrg - Connecting/Changing
 A4.4 Dual Svc
 A3.22 Local Usage Detail
 A4.6 A4.66 Special Number → TO Other N.B. SVCS.
 A5.3 A4.68 Add'l Engineering
 A8.2 A4.68 Phone Answering Facilities
 A8.3 A4.68 CO Concentrator
 A9.1 A4.67 Foreign Exchange Svc → to Transport
 A9.2 A4.68 Foreign CO
 A9.3 A4.68 Interim Foreign Exchange
 A11.5 A4.68 PBX 100
 A12.7 A4.67 DID Svc
 A12.8 A4.68 100 from PBX
 A12.8 A4.68 Prestige Comm. Svc
 A13.1 A4.67 Extension Svc → to Bus. N.B. Exch. Access
 A13.3 A13.03 Apart Door Answering → to Other N.B. SVCS.
 A13.4 A4.68 Special Billing
 A13.4 A4.68 Custom Calling
 A13.4 A13.11 Remote Call Forwarding
 A13.14 Toll Trunks
 A13.18 Touchstar
 A13.20 Call Screening/Restriction
 A13.22 Watch Alert
 A13.24 Duplicate Bill
 A31.2 A4.68 Area Comm. - Multilocation
 A13.33 Multilocation Discount Plan
 A13.34 Ringmaster
 A13.41 Exchange Line Data
 A13.46 SMOI
 A13.47 Meg Waiting Indication
 A13.48 Surrogate Client
 A13.53 Multiline Hunt
 A13.56 Hot Line
 A13.57 Warm Line
 A13.58 Uniform Access Number.
 A13.59 Automatic Number Id
 A13.60 Custom Svc Area
 A13.61 Answer Supervision
 A13.62 Call Detail Info
 A14.01 Network Interface Equip
 A14.02 Toll Restriction
 A14.03 Break in Rotary # Group
 A14.04 High Volt. Protection
 A14.07 Message Register
 A14.08 Cust. Premises Attendant
 A14.04 Trouble Location Chrg
 A24.01 EP11
 A24.03 Personal Signaling
 A24.7 Admin. Mgmt. Svc
 A13.62 Call Detail Info
 A14.1 A4.64 Network Interface Equip
 A14.2 A4.68 Toll Restriction
 A14.3 A4.68 Break in Rotary # Group
 A14.4 A4.68 High Volt. Protection
 A14.7 A4.67 Message Register
 A14.8 A4.68 Cust. Premises Attendant
 A15.4 A4.68 Trouble Location Chrg
 A24.1 A4.64 EP11
 A28.3 A4.68 Personal Signaling
 A29.7 Admin. Mgmt. Svc
 A34.1 A4.64 AINS Svc Mgmt Svc
 A34.2 A4.68 AINS Assignment
 A34.3 A4.68 AINS Routing
 A37.1 A4.67 Bill Processing → Delete (duplicate)

- A39.1 A4.64 Abbrev. Dialing--N11
 A42.1 A4.64 ISDN--Indiv. Bui.
 A105.1 A4.64 Add'l Engineering
 A108.2 A4.68 Concentrator Identifier
 A108.4 A4.68 Automatic Answering Syst. Conc. → to Transport
 A108.1 A4.68 Foreign Exchange
 A112.17 Prestige Comm. Package
 A112.18 Prestige Single Line
 A112.21 Prestige Deluxe
 A112.24 Customized Dialing Package
 A113.3 A4.68 Multi-Station 1-way Circuit
 A113.10 Custom Calling
 A113.11 Network Facilities--PA Svc
 A113.18 Ticketstar Svc
 A113.20 Caller ID Multiline
 A114.1 A4.67 Special Filter
 A115.1.1 A4.64 Term. Equip--Record 2-way
 A115.1.2 A4.64-68 Telephotograph Equip
 A115.1.3 A4.64-68 Data Transm/Rx/Receive
 A115.1.4 A4.64-68 Voice Transm/Rx/Receive
 A115.1.5 A4.64-68 Alarm Detection/Reporting
 A115.1.6 A115.01.08 Dictation Recording Equip
 A115.2 A4.68 Comm. Svcs.
 SS. Billing/Collection Svc

A3.7 Enhanced Optional EAS (Business)
 A3.8 ECS and LCP
 A3.14 Expanded Local WATSaver Service

A13.67 CO Blocking with Optional Screening

A34.4 ADWATCH Service

A34.5 Crisis Line Service

B104.1 Voice Communicating Equipment

B104.2 Data Communicating Equipment

RESIDENTIAL:

NON-BASIC EXCHANGE ACCESS

A3.5 Monthly Rates (Measured)

A42.1 A42.01 ISDN-Indiv. Bus. → Delete, already in Bus. opt.

A3.6 Rotary (Residential)

A3.8 Monthly Rates (Measured)

RESIDENTIAL:

OPTIONAL SERVICE

- A2.4 ~~A2.04 Returned Check/Bank Draft~~ → TO OTHER N.B. SVCS.
- A3.22 Local Usage Detail
- A4.6 ~~A4.06 Special Number~~ → TO OTHER N.B. SVCS.
- A4.7 ~~A4.07 Link-Up Florida~~
- A5.3 ~~A5.03 Addtl Engineering~~
- A13.9 ~~A13.09 Custom Calling~~
- A13.11 Remote Call Forwarding
- A13.19 Touchstar
- A13.20 Call Screening/Restriction
- A13.24 Duplicate Bill
- A13.33 Multifeature Discount Plan
- A13.34 Ringmaster
- A13.40 Surrogate Client
- A15.4 ~~A15.04 Double Location Chrg~~ → TO OTHER N.B. SVCS.
- A105.1 ~~A105.01 Addtl Engineering~~
- A112.24 Customized Dialing Package
- A113.10 Custom Calling
- A113.20 Caller ID Mute/line
- A13.22 Watch Alert

A3.7 Enhanced Optional EAS (Residential)

- A42.2 ISDN Individual Residence Service
- A13.41 Exchange Line Data Service
- A13.47 Message Waiting Indication - Audible (MWI)
- A12.16 Prestige Communications Service (PCS)
- A112.17 Prestige Communications Package
- A112.18 Prestige Single Line Service
- A4.4 Dual Service
- A13.56 Hot Line Service
- A13.57 Warm Line Service

TOLL SERVICES

A18.3 A18:08 Two-Point Svc
A18.13 Calling Plans-Server Svc
A19.5 A19:00 WATS
A48.1 A48:01 Two-Point Svc
A119.5 A119:05 WATS

A18.7 Intra-NPA Long Distance Directory Assistance Service

TRANSPORT SERVICES

A29.1 A29-01 Derived Data Channel
 A29.2 A29-02 Data Transport Svc
 A29.5 A29-05 PacketLink Public
 A29.6 A29-06 Accupulse
 A32.1 A32-01 Integration Plus Mgmt
 A32.3 FileServ
 A32.4 NUIS
 A40.3 A40-03 Native Mode LAN
 A113.12 Native Mode - LAN
 A114.2 A114-02 Priv. Line Sampling
 A129.2 A129-02 Data Transport Access
 A129.4 A129-04 FileServ-Digital
 B2.4 B2-04 Svc Order Modifications
 B2.6 B2-06 Trouble Determination
 B3.4 B3-04 Commercial Quality Video
 B5.3 B5-03 Add'l Engineering
 B7.1 B7-01 MegaLink
 B7.2 B7-02 SYNCHRONET
 B7.3 B7-03 MegaLink Channel
 B7.4 B7-04 LightGate
 B7.5 B7-05 MegaLink ISDN
 B7.6 B7-06 SmartPath
 B7.7 SmartRing
 B103.1 B103-01 Interexchange/IntraLATA
 B103.2 B103-02 Interexchange/IntraLATA
 B103.3 B103-03 IntraLATA Channel Cond.
 B103.9 B103-09 Sub Voice Grade Svc
 B106.3 B106-03 Dataphone Digital
 E11.2 E11-02 Special Facilities Planning
 E13. Eng. Labor/Misc Svc

A40.1 Frame Relay Service

A40.4 Connectionless Data Service

A40.5 Broadband Data Line Service

B103.7 Multipoint Service and
Multistation Arrangements

A13.1 Extension Services

A113.5 Extension Service and TIE Lines

A8.2 Phone Answering Facilities

A8.3 CO Concentrator

A9.1 Foreign Exchange Service

A9.2 Foreign CO

A9.3 Interim Foreign Exchange

A9.4 Local Usage Detail (Fx)

A108.2 Concentrator - Identifier Units

A108.4 Autotax Answering System Concentrator

A109.1 Foreign Exchange Service.

PUBLIC/SEMI-PUBLIC PHONE

A4.3 ~~A4-03~~ Chrg-Connect/Change Svc
A4.3 ~~A4-03~~ Chrg-Connect/Change Svc-Flat
A7.1 ~~A7-01~~ Public phone Svc-Equip
A7.1 ~~A7-01~~ Public phone Svc-Mag
A7.2 ~~A7-02~~ Semi-Pub. phone-Equip
A7.2 ~~A7-02~~ Semi-Pub. phone-Mag
A7.3 ~~A7-03~~ Coin/Coinless Credit Card
A7.6 ~~A7-06~~ Public Svc Use Fee
A7.9 ~~A7-09~~ Local Usage Detail
A107.1 ~~A107-01~~ Semi-Pub. phone Svc

OPERATOR SERVICES

- A3.10 Oper. Assket Local/Local Card
- A3.11 Local Operator Verify/Interrupt
- A13.12 Selective Class - Screen. Svc
- A13.16 Local Conference
- A13.17 List Svc
- A13.51 Elec. White Pages
- A13.4 ~~A13.04~~ Conference Svc
- A13.7 A13.07 Intra-NPA LD D/Assistance → to Toll Services
- A13.8 ~~A13.08~~ IntraLATA LD Op Verify/Interrupt
- A38.1 ~~A38.04~~ DA Database
- A38.2 ~~A38.02~~ Directory Publishers Database
- E18. Operator Svc

A3.24 Local DA Call Completion Service

A3.25 DA/DA Call Completion Service (MSP'S ONLY)

A18.14 Toll Directory Assistance Call Completion Service

LOCAL DAD-SERVICE

A3.9 ~~AS-00~~ Local Directory Assist

A3.24 Local DA Call Completion

A3.25 DA/DA Call Completion

→ TO Operator SVCS.

A6.4 ~~AS-04~~ Non-Published Listing

A6.5 ~~AS-05~~ Non-Listed Listing

A6.6 ~~AS-06~~ Addtl Listing

A6.7 ~~AS-07~~ Misc. Listing

OTHER NON-CLASS SERVICES
 A2.4 ~~Appt Late Payment Chrg.~~
 A4.6 ~~Interstate SLC Waiver/matching Prog.~~
 A13.15 911 - SA Key
 A13.50 ~~Automatic Number Id~~ → Delete (duplicate of Bus. Opt.)
 A30.2 ~~A10-02 Equip./Disab. Customers - Sale~~
 A30.3 ~~A10-03 Equip./Disab. Customers - Rent~~
 A113.1 ~~A13-01 Group Emergency - Alert/Dispatch~~
 A113.2 ~~A10-02 Muni./Indus. Emergency~~
 A124.1 ~~A10-02 Muni./Indus. 911~~
 A124.2 ~~A10-02 Muni./Indus. 911~~
 B2.1 B2-01 Telecomm. Svc Priority

A2.4 Returned Check/Bank Draft
 A4.6 Special Number Assignment Charge
 A13.3 Apartment Door Answering Services
 A13.50 Telecommunication Service Priority (TSP) System
 A14.1 Network Interface Equipment
 A14.2 Toll Restriction (Battery Reversal In CO)
 A14.3 Break In Rotary Number Group
 A14.4 High Voltage Protection Equipment
 A14.7 Message Register Service
 A14.8 Customer Premises Attendant Service
 A15.4 Trouble Location Charge
 A24.1 Enhanced 911 Emergency Service
 A115 Terminal Equipment
 A130 Equipment for Disabled Customers

21. July 14, 1997 tariff filing in a letter from A. M. Lombardo to Walter D'Haeseleer proposing to increase the late payment charge from 1.5% to 1.63%

#1274



BellSouth Telecommunications, Inc. 904 224-7798
Suite 400 Fax 904 224-5073
150 South Monroe Street
Tallahassee, Florida 32301-1556

A. M. Lombardo
Regulatory Vice President

July 14, 1997

Mr. Walter D'Haeseleer
Director, Division of Communications
Florida Public Service Commission
2540 Shumard Oak Circle
Tallahassee, Florida 32399-0805

Re: Tariff Filing T97-614

Dear Mr. D'Haeseleer:

The above filing with a proposed effective date of July 5, 1997, contained an increase in the Late Payment Charge (LPC) to 1.63%. It has since been confirmed that this rate is in excess of that allowed by law.

This letter requests the withdrawal of the parts of this filing pertaining to the LPC. Specifically, reference to the LPC in the transmittal letter and executive summary and the following tariff pages:

GSST Section A4 - First Revised Page 19
PLST Section B2 - First Revised Page 14

Any billing changes resulting from the above will be corrected.

Yours very truly,

A handwritten signature in cursive script that reads "A M Lombardo" followed by a stylized flourish.

A. M. Lombardo



BellSouth Telecommunications, Inc. 904 224-7798
Suite 400 Fax 904 224-5073
150 South Monroe Street
Tallahassee, Florida 32301-1556

A. M. Lombardo
Regulatory Vice President

June 20, 1997

Mr. Walter D'Haeseleer
Director, Division of Communications
Florida Public Service Commission
2540 Shumard Oak Boulevard
Gerald L. Gunter Building, Room 270
Tallahassee, Florida 32399-0850

Dear Mr. D'Haeseleer:

Pursuant to Florida Statute 364.051, we are filing a revision to our General Subscriber Service Tariff and Private Line Service Tariff. Following are the affected pages.

General Subscriber Service Tariff

- Second Revised Page 30 - Subject Index
- Section A1 - First Revised Page 17
- Section A2 - First Revised Page 19
- Section A4 - First Revised Page 1 - Table of Contents
 - First Revised Page 3
 - Second Revised Page 4
 - First Revised Page 5
 - First Revised Page 6
 - First Revised Page 7
 - First Revised Page 8
 - First Revised Page 9
- Section A15 - First Revised Page 28

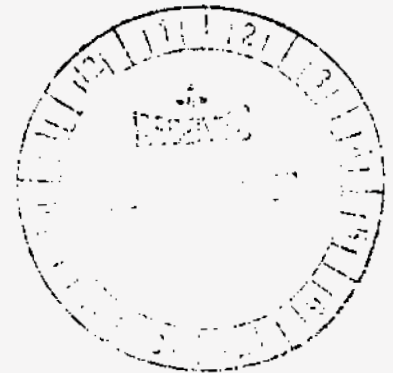
Private Line Service Tariff

- Section B2 - First Revised Page 14

This tariff change shall increase the Late Payment Charge from 1.5% to 1.63%, eliminate the Special Number Assignment Charge (SNAC), and increase the Trouble Location Charge from \$35 to \$45. These rate changes are in compliance with the Price Regulation Rules.

The following attachment provides additional supporting and explanatory information for the proposed tariff revision. The attachment constitutes a comprehensive package which fulfills the basic requirements for supporting data specified in Chapter 25-9 F.A.C.

Attachment A - Executive Summary



- 2 -

Acknowledgment, date of receipt, and authority number of this filing are requested. A duplicate letter of transmittal is attached for this purpose.

Your consideration and approval will be appreciated.

Yours very truly,

A handwritten signature in cursive script, appearing to read "A. M. Lombardo" followed by a stylized flourish.

Regulatory Vice President

Attachments

TARIFF NOTIFICATION

FLORIDA

1274

Today's Date: 06/20/97

Filing Package No. FL96-139

Filing Date: 06/20/97

Effective Date: 07/05/97

Subject: Transmittal of Tariff Filing Package to Increase the Late Payment Charge, Eliminate the Special Number Assignment and Increase the Trouble Locations Charge In Florida

Tariff Status: Approved
(Filed, Approved, Withdrawn, Suspended, Denied)

TARIFF PAGES

GSST

Second Rev. Pg. 30 - Subject Index

Section A1 First Rev. Pg. 17

Section A2 First Rev. Pg. 19

Section A4 First Rev. Pg. 1 - Table of Contents
First Rev. Pg. 3

Section A4

Second Rev. Pg. 4

First Rev. Pg. 5

First Rev. Pg. 6

First Rev. Pg. 7

First Rev. Pg.8

First. Rev. Pg. 9

Section A15

First Rev. Pg. 28

Private Line Service Tariff

Section B2

First Rev. Pg. 14

TARIFF NOTIFICATION

FLORIDA

1274

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TARIFF PAGES

GSST

Second Rev. Pg. 30 - Subject Index

Section A1 First Rev. Pg. 17

Section A2 First Rev. Pg. 19

**Section A4 First Rev. Pg. 1 - Table of Contents
First Rev. Pg. 3**

Section A4

Second Rev. Pg. 4

First Rev. Pg. 5

First Rev. Pg. 6

First Rev. Pg. 7

First Rev. Pg. 8

First. Rev. Pg. 9

Section A15

First Rev. Pg. 28

Private Line Service Tariff

Section B2

First Rev. Pg. 14

#1274



BellSouth Telecommunications, Inc. 904 224-7798
Suite 400 Fax 904 224-5073
150 South Monroe Street
Tallahassee, Florida 32301-1556

A. M. Lombardo
Regulatory Vice President

June 20, 1997

Mr. Walter D'Haeseleer
Director, Division of Communications
Florida Public Service Commission
2540 Shumard Oak Boulevard
Gerald L. Gunter Building, Room 270
Tallahassee, Florida 32399-0850

Dear Mr. D'Haeseleer:

Pursuant to Florida Statute 364.051, we are filing a revision to our General Subscriber Service Tariff and Private Line Service Tariff. Following are the affected pages.

General Subscriber Service Tariff

- Second Revised Page 30 - Subject Index
- Section A1 - First Revised Page 17
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 - First Revised Page 3
 - Second Revised Page 4
 - First Revised Page 5
 - First Revised Page 6
 - First Revised Page 7
 - First Revised Page 8
 - First Revised Page 9
- Section A15 - First Revised Page 28

Private Line Service Tariff

- Section B2 - First Revised Page 14

This tariff change shall increase the Late Payment Charge from 1.5% to 1.63%, eliminate the Special Number Assignment Charge (SNAC), and increase the Trouble Location Charge from \$35 to \$45. These rate changes are in compliance with the Price Regulation Rules.

The following attachment provides additional supporting and explanatory information for the proposed tariff revision. The attachment constitutes a comprehensive package which fulfills the basic requirements for supporting data specified in Chapter 25-9 F.A.C.

Attachment A - Executive Summary

Acknowledgment, date of receipt, and authority number of this filing are requested. A duplicate letter of transmittal is attached for this purpose.

Your consideration and approval will be appreciated.

Yours very truly,

A handwritten signature in cursive script, appearing to read "A. M. Lombardi".

Regulatory Vice President

Attachments

EXECUTIVE SUMMARY

Introduction

The purpose of this tariff filing is to increase the Late Payment Charge in Florida from 1.5% to 1.63%, eliminate the Special Number Assignment Charge (SNAC), and increase the Trouble Location Charge from \$35 to \$45.

Description of Present Tariff

The current tariffs allow BellSouth to assess a Late Payment Charge of 1.5%, to assess residence and business rates for searching for a number and for searching and assigning a number, and to apply a \$35 charge per trouble location service call.

Description of Proposed Tariff

The proposed tariff revision will increase the Late Payment Charge from 1.5% to 1.63%. It will eliminate the charge for searching only or for searching and assigning special numbers. It will also increase the Trouble Location Charge from \$35 to \$45. The Late Payment Charge increase will produce approximately \$2,382,180 additional annual revenue, and the Trouble Location Charge increase will produce approximately \$514,750 in additional annual revenue. The removal of the SNAC charge will result in a reduction of approximately \$255,335 annual revenue. The SNAC charge is being eliminated due to improvements which have reduced the overall costs of the service. The approved revenue for the Miscellaneous Non-Basic Service Category is approximately \$44,291,000. Therefore, the proposed overall revenue increase of \$2,641,595 will fall within the 6% allowance for this category.

Conclusion

These changes will be in accordance with the Price Regulation Rules.

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA

GENERAL SUBSCRIBER SERVICE TARIFF

ISSUED: ~~March 3, 1997~~ June 20, 1997
BY: Joseph P. Lacher, President - FL
Miami, Florida

Tariff Revisions
Legislative Format
Not for Approval

Second Revised Page 30

Cancels First Revised Page 30
Cancels Original Page 30

EFFECTIVE: April 1, 1997

July 5, 1997

SUBJECT INDEX

S. (Cont'd)

SUBJECT

SECTION

~~(DELETED)~~

Special Number Assignment Charge	<u>(DELETED)</u>	A4.6
Special Promotions		A2.10
Special Reversed Charge Toll Service (Enterprise)		A118.1.1
Special Service Arrangements		A5.5
Special Text Listing (Business)		A6.7.18
Special Types of Installation		A5.4.1
Statewide Rate Groups		A3.2
Station Line Charges		
Key and Pushbutton Telephone Service (Obsoleted)		A110.
Private Branch Exchange Service (PBX) (Obsoleted)		A111.
HORIZON® Communication System (Obsoleted)		A125.
Stylist® Service Listing		A6.7.15
Supersedure (Assumption of Service)		A22.1.4
Surrogate Client Number		A13.49
Suspension of Business and Residence Service		A2.3.16
Suspension of Service for Non-Payment		A2.4.3
Switched Data Service 1		A12.13.14

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA

ISSUED: ~~July 1, 1996~~ June 20, 1997
BY: Joseph P. Lacher, President - FL
Miami, Florida

GENERAL SUBSCRIBER SERVICE TARIFF
Tariff Revisions
Legislative Format
Not for Approval

First Revised Page 17
Changes Original Page 17

EFFECTIVE: July 1, 1996
6, 1997

A1. DEFINITION OF TERMS

SERVICE LINE

A two-way business individual line, a dial PBX access line, a Centrex Type Services main access line, or an extension of any of the before mentioned, which is required for testing of certain services provided by the Company and which is to be billed at the existing tariff rate.

SHARED TENANT SERVICES OR STS

The sharing or resale of a common group of local exchange service access lines through a common switching or billing arrangement to commercial tenants in a single building.

SHARED TENANT SERVICES PROVIDER

One who has been granted a certificate of public convenience and necessity by the Florida Public Service Commission to provide Shared Tenant Services in accordance with Chapter 86-270 Laws of Florida (or Section 364.339 Florida Statutes (Supp. 1986)).

SIMPLE BUSINESS¹

The term Simple Business as specified herein is defined as business line Basic Exchange Service which does not terminate in a communications system. The term Business Non-Key is synonymous with the term Simple Business.

~~SPECIAL NUMBER ASSIGNMENT CHARGE~~ (DELETED)

~~The charge applying for a customer requested special telephone number, other than that number which would normally have been assigned. A separate charge applies for searching for and, if available, assigning the number.~~

SPEED CALLING

A private branch exchange, Centrex or local exchange feature which permits the station dialer to reach other stations by abbreviated dialing.

STANDARD NETWORK INTERFACE

See Network Interface

STATION

A unit of service, complete with instrument, either customer or Company provided and lines (circuits), so arranged as to permit sending and receiving messages through the exchange and long distance network. Instruments and lines when furnished by the Company, are charged for separately, unless otherwise specified in the Tariff.

a. Main and Extension Stations (See Centrex Type Services)

- (1) Main Station: A station, directly connected by means of an individual line with a central office.
- (2) Extension Station: An additional station connected on the same circuit as the main station and subsidiary thereto.

~~Note 1: Text is shown as new due to reissue of all Tariff Sections. No changes in rates or regulations were made with this filing.~~

Note 1: In all sections of the General Subscriber Service Tariff, the Private Line Service Tariff and the Access Service Tariff, any references to the Business Line rates refer to the Complex Business Individual Line rates as provided in this Tariff.

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA
ISSUED: July 1, 1996
BY: Joseph P. Lacher, President - FL
Miami, Florida

GENERAL SUBSCRIBER SERVICE TARIFF

Tariff Revisions
Legislative Format
Not for Approval

Original Page 19

EFFECTIVE: July 15, 1996

A2. GENERAL REGULATIONS**A2.4 Payment Arrangements and Credit Allowances (Cont'd)****A2.4.3 Payment for Service (Cont'd)**

- C. A Late Payment Charge of ~~one and a half percent (1.5 percent)~~ will be applied to each customer's bill, (including amounts billed in accordance with the Company's Billing and Collections Services Tariff) when the previous month's bill has not been paid in full prior to the next billing date. The ~~1.5 percent~~ charge is applied to the total unpaid amount carried forward and is included in the total amount due on the current bill. This Tariff shall apply to federal and state government pursuant to existing statutes applicable to those governmental entities. Effective January 1, 1992, county and municipal governments will be assessed a 1 percent Late Payment Charge in accordance with the provisions of the Florida Prompt Payment Act, Section 218.70-218.79, Florida Statutes.
- D. Should service be suspended for nonpayment of charges, it will be restored only as provided under "Restoration Charge" in Section A4. of this Tariff.
- E. When the service has been disconnected for nonpayment, the service agreement is considered to have been terminated. Reestablishment of service may be made only upon the execution of a new service agreement which is subject to the provisions of this Tariff.
- F. In its discretion, the Company may restore or reestablish service which has been suspended or disconnected for nonpayment of charges, prior to payment of all charges due. Such restoration or reestablishment shall not be construed as a waiver of any rights to suspend or disconnect service for nonpayment of any such or other charges due and unpaid or for the violation of the provisions of this Tariff; nor shall the failure to suspend or disconnect service for nonpayment of any past due account or accounts operate as a waiver or estoppel to suspend or disconnect service for nonpayment of such account or of any other past due account.
- G. Bills for service shall not be considered delinquent prior to the expiration of fifteen days from the date of mailing or delivery by the company. However, the company may demand immediate payment under the following circumstances:
1. Where service is terminated or abandoned.
 2. Where toll service is two times greater than the subscriber's average usage as reflected on the monthly bills for the three months prior to the current bill or, in the case of a new customer who has been receiving service for less than four months, where the toll service is twice the estimated monthly toll service.
 3. Where the Company has reason to believe that a business subscriber is about to go out of business or that bankruptcy is imminent for that subscriber.

A2.4.4 Allowance for Service Outages

When the use of service or facilities furnished by the Company becomes unavailable due to any cause other than the negligence or willful act of the subscriber or the failure of the facilities provided by the subscriber, a pro rata adjustment of the fixed monthly charges involved will be allowed, for the service and facilities rendered useless and inoperative by reason of the service outage during the time the outage continues in excess of twenty-four hours from the time it is reported to or detected by the Company, except as otherwise specified in this tariff. The adjustment shall not be applicable for the time that the Company stands ready to repair the service and the subscriber does not provide access to the Company for such restoration work. For the purpose of administering this regulation, every month is considered to have thirty days.

~~Note 4:- Text is shown as new due to reissue of all Tariff Sections. No changes in rates or regulations were made with this Piling.~~

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~~Note 1: Text is shown as new due to misuse of all Tariff Sections. No changes in rates or regulations were made with this filing.~~

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA

ISSUED: July 1, 1996 June 20, 1997
BY: Joseph P. Lacher, President - FL
Miami, Florida

GENERAL SUBSCRIBER TARIFF

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EFFECTIVE: July 15, 1996

5, 1997

A4. SERVICE CHARGES

(7)

A4.2 Application of Charges-(Cont'd)

A4.2.3 Line Change Charge Application (Cont'd)

D. The Line Change Charge applies: (Cont'd)

2. For each change of station number for Centrex-CO, ESSX[®] service, Digital ESSX[®] service, MultiServ[®] service and MultiServ PLUS[®] service, and for each change in the operation of a NAR for ESSX-1. This charge is applicable in addition to the appropriate charge for station number changes when a change of basic exchange telephone number is requested coincident with a change of station number.
3. For each line or trunk, or for each NAR on ESSX-1 being restored after service is temporarily denied for nonpayment.
4. For each line or trunk, for each NAR on ESSX-1 being temporarily suspended at the request of a customer.
5. For changing from loop start to ground start and vice versa and for changing from a line to a trunk and vice versa, for changes in direction, etc.
6. For changing from Foreign Central Office Service to home wire center and vice versa.

A4.2.4 Secondary Service Charge Application

- A. The Secondary Service Charge will not apply if a Line Connection Charge or Line Change Charge is applicable.
- B. The Secondary Service Charge applies for adding or rearranging:

1. Custom Calling Service
2. Prestige[®] Communications service
3. Grouping Service
4. RingMaster[®] service
5. TouchStar[®] service
6. Customized Code Restriction
7. Customer requested directory listing changes
8. Remote Call Forwarding
9. Other features or services for which the Line Connection Charge and Line Change Charge are not ^{applicable} ~~applicable unless specifically excluded.~~

C. The Secondary Service Charge applies for:

1. Transfers of responsibility.
2. Changing from residence to business service and vice versa. The business charge applies when changing to business and the residence charge applies when changing to residence. If the telephone number changes the Line Change Charge applies in lieu of the Secondary Service Charge.
3. Rearrangement of drop wire, protector, and/or network interface. Additionally, Premises Work Charges will apply.
4. Installing a Network Interface jack at the customer's request on existing service. Additionally, Premises Work Charges will apply.

Note 1: Text is shown as new due to reissue of all Tariff Sections. No changes in rates or regulations were made with this filing.

BELLSOUTH
TELECOMMUNICATIONS, INC.

FLORIDA

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BY: Joseph P. Lacher, President - FL
Miami, Florida

GENERAL SUBSCRIBER SERVICE TARIFF

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EFFECTIVE: ~~April 1, 1997~~

July 5, 1997

A4. SERVICE CHARGES

A4.2 Application of Charges (Cont'd)

A4.2.4 Secondary Service Charge Application (Cont'd)

- C. The Secondary Service Charge applies for: (Cont'd)
 - 5. Changing call referrals to another number at the customer's request.
- D. The Secondary service Charge is also applicable:
 - 1. When installing or changing a station line or changing a station number on ESSX-1 service.
 - 2. When adding or changing the operation of a NAR or ESSX[®] service, Digital ESSX[®] service, Centrex service or MultiServ PLUS[®] service. 1
- E. Beginning December 1, 1995 and ending November 30, 1996, a special waiver of the Secondary Service Charge will apply when residence subscribers order one or more of the following services. Custom Calling services, Message Waiting Indication service, Prestige[®] Communications service, TouchStar[®] service, Designer Listings or RingMaster[®] service. (T)

A4.2.5 Premises Work Charge Application

- A. The appropriate Line Connection Charge, Secondary Service Charge or Line Change Charge applies in addition to the Premises Work Charge.
- B. Premises Work Charges apply per customer request, per Company employee performing billable work on the customer's premises. The sum of their time is used to determine the number of 15-minute increments to be billed. Only one initial increment is to be billed per customer request except when the customer specifically requests more employees than the Company would normally dispatch. Where additional employees are specifically requested by the customer, the initial increment charge will also apply per additional Company employee specifically requested.
- C. Premises Work Charges apply:
 - 1. For, but not limited to, rearrangement of drop wire, protector and/or network interface.
 - ~~2. (DELETED)~~
- D. The charge for a Network Interface jack applies in addition to the appropriate Premises Work Charges for installing a Network Interface at the customer's request on existing service.

A4.2.6 Service Charge Exceptions

- A. Any additional work done concurrently with the following excepted work will entail service charges applicable to that work.
- B. Service Charges do not apply for:
 - 1. Adding Touch-Tone Service when no other services are requested.
 - 2. Changing from a private or semiprivate listing to a listed number.
 - 3. Requests for establishing toll credit cards.
 - 4. Requests for full or partial disconnection.
 - 5. Changing from one flat, measured or message rate basic service (including Area Plus[®] service and Complete Choice[®] options) to another.

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA

GENERAL SUBSCRIBER SERVICE TARIFF

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6, 1997

A4. SERVICE CHARGES

A4.2 Application of Charges (Cont'd)

A4.2.6 Service Charge Exceptions (Cont'd)

B. Service Charges do not apply for: (Cont'd)

6. Converting existing customers to Lifeline.
7. The move from a premises which has been destroyed or made untenable by a disaster such as a hurricane, tornado, fire, flood, etc., when equivalent service is established, at the new/temporary location or for the move back into the original location.
8. Changing telephone numbers when in the judgment of the Company such changes are necessary for continuation of satisfactory service.
9. Changing the primary listing of a residence customer to the name of the remaining spouse in event of death or divorce of the spouse currently listed.
10. Additional features requested with and provided as a part of the customer's request for service that is subject to a service ordering waiver. Charges other than for service ordering may apply for additional services added.
11. Upgrades from Back-Up Line service to business individual line service.

C. Service charges for connection, move or change do not apply to telephone service previously provided over a Government System in military housing where there is no break in the continuity of service.

A4.2.7 Installment Billing

- A. Except as provided in this paragraph and B. following, service connection, and/or rearrangement charges separately or in combination are required to be paid at the time of application for service. Service may be established in advance of payment of service connection charges for additions to the service of existing subscribers and for any service provided for the use of departments, administrations or agencies of the Federal, State, County or Municipal Government. Service Charges may be paid in monthly installments of not less than the amounts shown below not to exceed a total of more than six months. If additional such charges are incurred while a balance is due on previous charges, the above treatment will apply separately to the new charges.

1. First Month

- (a) Residence
- (b) Business

Monthly Rate	USOC
\$15.00	NA
25.00	NA

2. Subsequent Months

- (a) Residence
- (b) Business

5.00	NA
5.00	NA

~~A4.3 Schedule of Charges for Connecting or Changing Service~~~~A4.3.1 Rates and Charges~~

~~Note: This is shown as new due to revision of all Tariff Sections. No changes in rates or regulations were made with this filing.~~

Material previously appearing on this page now appears on page(s) 6 of this section.
Service Mark of BellSouth Corporation

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA
ISSUED: ~~July 1, 1996~~ June 20, 1997
BY: Joseph P. Lacher, President - FL
Miami, Florida

OFFICIAL APPROVED VERSION, RELEASED BY BSTRQ
GENERAL SUBSCRIBER SERVICE TARIFF
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EFFECTIVE: July ~~1, 1996~~
6, 1997

A4. SERVICE CHARGES

A4.3 Schedule of Charges for Connecting or Changing Service ~~(Cont'd)~~

A4.3.1 Rates and Charges ~~(Cont'd)~~

A. Line Connection Charge

1. Applies per exchange access line, trunk, or per NAR for ESSX-1.

- | | | | |
|--|-----------|----------|------|
| (a) First Line <u>(per customer request)</u> | Residence | Business | USOC |
| (b) Additional Line (each) | \$40.00 | \$56.00 | NA |
| | 12.00 | 12.00 | NA |

B. Line Change Charge

1. Applies per exchange access line, trunk, or per NAR for ESSX-1.

- | | | | |
|--|-------|-------|----|
| (a) First Line <u>(per customer request)</u> | 23.00 | 38.00 | NA |
| (b) Additional Line (each) | 11.00 | 11.00 | NA |

C. Secondary Service Charge

1. Applies per customer request

- | | | | |
|----------|-------|-------|----|
| (a) Each | 10.00 | 19.00 | NA |
|----------|-------|-------|----|

D. Premises Work Charge

1. First 15-minute increment or fraction thereof

- | | | | |
|-------------------|-------|-------|----|
| (a) Per increment | 25.00 | 23.00 | NA |
|-------------------|-------|-------|----|

2. Each additional 15-minute increment or fraction thereof

- | | | | |
|-------------------|------|------|----|
| (a) Per increment | 9.00 | 9.00 | NA |
|-------------------|------|------|----|

A4.4 Dual Service

A4.4.1 General

- A. Dual Service is a service offering which supplies the same dial tone concurrently to two different addresses served from the same wire center for a limited period of time (90 days maximum) for nondesignated services only. The provision of Dual Service assures the customer continual service at both locations during the time of a move.
- B. A request for Dual Service occurs on orders for a transfer of service (T&F) within the same wire center where no telephone number change is involved.
- C. Dual Service will be offered subject to the availability of facilities and technical limitations.
- D. Payment for Dual Service is provided for by billing the nonrecurring charge following plus the applicable portion of the monthly rate on both lines during the period of service overlap, regardless of the duration of that overlap (90 days maximum).

A4.4.2 Rates and Charges

A. Exchange Access Line

1. Per line, trunk or main station line

~~Note: Text is shown as new due to release of all Tariff Sections. No changes in rates or regulations were made with this filing.~~

material appearing on this page previously appeared on page 15 of this section.
Material previously appearing on this page now appears on page(s) 7 of this section.

A4. SERVICE CHARGES

A4.4 Dual Service (Cont'd)

A4.4.2 Rates and Charges (Cont'd)

A. Exchange Access Line (Cont'd)

1. Per line, trunk or main station line (Cont'd)

- (a) Residence
- (b) Business

Nonrecurring Charge	USOC
\$20.00	NA
20.00	NA

A4.5 Reserved for Future Use

A4.6 Special Number Assignment Charge (DELETED)

A4.6.1 General

~~A. The charges listed herein apply for searching for and, if available, assigning a special telephone number, at the customer's request other than that number which would normally have been assigned. The charges apply to requests for a specific number (including specific numerical patterns such as XXXX, YYYX, YXXY, etc., where X and/or Y are not a specific numeral) or an "easy" number (i.e., one which the Company determines to have a numerical pattern not specified by the customer, which would make it easy to remember). The charges apply to any request regardless of the number of digits requested and/or provided. The Search Only charge listed applies when the requested number (either specific or "easy") is unavailable or unacceptable to the customer. The Search and Assign charge applies when the requested number (either specific or "easy") is assigned to the customer.~~

~~B. Number alternatives will be limited to those normally available for the given serving central office or wire center in which the access line is provided. Therefore, the customer will be limited as to the available options for the first three digits of the special number.~~

~~C. All specific number requests other than numerical patterns must be made by specifying the digits desired.~~

~~Note: Time is shown as now due to revision of all Tariff Sections. No changes in rates or regulations were made with this filing.~~

A4.4.1 General

- A. Dual Service is a service offering which supplies the same dial tone concurrently to two different addresses served from the same wire center for a limited period of time (90 days maximum) for nondesignated services only. The provision of Dual Service assures the customer continual service at both locations during the time of a move. (M)
- B. A request for Dual Service occurs on orders for a transfer of service (T&F) within the same wire center where no telephone number change is involved. (M)
- C. Dual Service will be offered subject to the availability of facilities and technical limitations. (M)
- D. Payment for Dual Service is provided for by billing the nonrecurring charge following plus the applicable portion of the monthly rate on both lines during the period of service overlap, regardless of the duration of that overlap (90 days maximum). (M)

Material appearing on this page previously appeared on page(s) 6 of this section.

A4. SERVICE CHARGES

A4.6 Special Number Assignment Charge (Cont'd) (DELETED)

A4.6.1 General (Cont'd)

- D. If requesting a specific number, the customer will be allowed to name one or two alternative specific numbers, in order of preference, that would be acceptable if the first choice is not available.
- If the customer does not wish to name any specific alternative choices, he may state a desire for two "easy" number alternatives. If his first choice is not available, he will be provided with two "easy" number candidates from which to choose. The customer may name one alternative specific number as his second choice and state a desire for an "easy" number as a third alternative. If his first and second choice are not available, he will be provided with one "easy" number candidate to consider.
- If the customer has no specific number to request but merely desires an "easy" number, he will be provided with three "easy" number candidates from which to choose.
- In the case of both specific and "easy" numbers, only one number may be assigned per each charge listed.
- E. The appropriate charge applies in addition to all otherwise applicable charges, e.g., Number Change, Record Service Order, Foreign Central Office, etc.
- F. If a customer obtains a number under this Tariff that must subsequently be changed for Company reasons (e.g., area transfer), this charge will not apply for providing this same customer a special number from the newly available pool. A customer that moves but remains in the same serving office or wire center may retain his special number at no additional charge. Any requests to change to a new special number will be chargeable.
- G. The charges apply for searching for and, if available, assigning a workable number and are not refundable. The number itself remains the property of the Company as stated in Section A.2 of this Tariff.
- H. This service is available where facilities or arrangements permit.

A4.6.2 Rates and Charges

- A. Nonrecurring Charges, per request for a number to be assigned:
- (a) Search Only

- (a) Residential—
(b) Business—
3. Search and Assign—
(a) Residential—
(b) Business—

Nonrecurring—	
Charge—	USOC—
—\$5.00—	—RNGSO—
—10.00—	—RNGSO—
—15.00—	—RNCSEN—
—25.00—	—RNCSEN—

A4.7 LINK-UP Florida

A4.7.1 General

Note 1:—Text is shown as new due to revision of all Tariff Sections. No changes in rates or regulations were made with this filing—

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA

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EFFECTIVE: July ~~15, 1996~~
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A4. SERVICE CHARGES

A4.7 Link-Up Florida (Cont'd)

A4.7.1 General (Cont'd)

- A. Link-Up Florida is offered in all exchanges to provide subsidized assistance to qualifying applicants. It is intended to preserve and promote subscribership among low income households by providing a credit to and a deferred schedule for payment of the installation and connection charges applicable to the provisioning of residence service.
- B. The Company's rules for the Link-Up Florida program are as provided in Commission Order No. 19684, Docket No. 880847-TL.
- C. The Company's deferred payment schedule referenced in Commission Order No. 19684, Docket No. 880847-TL is as provided in this Tariff.

A4.7.2 Regulations

- A. Persons wishing to qualify for the credit must meet state certification criteria for eligibility. This credit is available only to residence customers, and will be applied to the nonrecurring charges for the establishment of service for a single telephone line per household at the principal place of residence.
- B. The subscriber must not be a dependent for federal income tax purposes, unless the subscriber is more than 60 years of age.
- C. The subscriber must be a current recipient of or certified eligible for Medicaid or Food Stamps.

A4.7.3 Rates and Charges

1. Federal credit 1

(a) Each

Nonrecurring Charge	USOC
\$-	NA

A4.8 Reserved for Future Use

A4.9 Reserved for Future Use

A4.10 Reserved for Future Use

A4.11 Reserved for Future Use

~~Note 1: Text is shown as new due to release of all Tariff Sections. No changes in rates or regulations were made with this filing.~~

Note 1: Credit is 50 percent of the Line Connection Charge. The credit is not to exceed \$30.00.

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA

GENERAL SUBSCRIBER SERVICE TARIFF

First Revised Page 28
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A15. CONNECTIONS OF TERMINAL EQUIPMENT AND COMMUNICATIONS SYSTEMS

A15.3 Communications Systems (Cont'd)

A15.3.4 Reserved for Future Use

A15.3.5 Connecting Arrangements - Voice Communications - Automatic

Except as otherwise provided in A15.1.7 and A15.1.8 of this Tariff, installations of new connecting arrangements will not be made for connection of terminal equipment, for connection of communications systems and for equipment-to-equipment connections. Treatment with respect to grandfathered installations which include such connecting arrangements is covered in A15.1.3.B of this Tariff.

A15.4 Trouble Location Charge

A15.4.1 Rates and Charges

- A. The customer shall be responsible for payment of a nonrecurring charge for each visit by the Company to the premises of the customer or joint user(s) solely to determine that the service difficulty or trouble report results from the use of equipment or facilities provided by the customer or his joint user(s).
1. Exchange and WATS service

(a) Per Service Call

A15.4.2 Reserved for Future Use

Nonrecurring	USOC
Charge	MCE
<u>\$45</u>	<u>999.00</u>

(I)

A15.5 Connections of Other Carrier-Provided Communications Systems

A15.5.1 General Provision

Communications systems provided by the Other Carrier (listed in A15.5.6) hereafter referred as the OC, may be connected with the facilities furnished by the Company for telecommunications services as specified in A15.5.2 through A15.5.9 following.

~~Note 1: This is shown as new due to revision of all Tariff Sections. No changes in rates or regulations were made with this filing.~~

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA

PRIVATE LINE SERVICE TARIFF

Tariff Revisions
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ISSUED: ~~July 1, 1996~~ June 20, 1997
BY: Joseph P. Lacher, President - FL
Miami, Florida

EFFECTIVE: ~~July 15, 1996~~July 5, 1997**B2. REGULATIONS****B2.4 Payment Arrangements and Credit Allowances (Cont'd)****B2.4.1 Payment of Charges and Deposits (Cont'd)**

- B. Applicants for service who have no account with the Company or whose financial responsibility is not a matter of general knowledge, may be required to make an advance payment at the time an application for service is placed with the Company, equal to the service connection or installation charges, if applicable, and at least one month's charges for the service provided. In addition, where the furnishing of service involves an unusual investment, applicants may be required to make payment in advance of such portion of the estimated cost of the installation or construction as is to be borne by them. The amount of the advance payment is credited to the customer's account as applying to any indebtedness of the customer for the service furnished.
- C. The Company may, in order to safeguard its interests, require an applicant or customer to make such deposit as the Company deems suitable to be held by the Company as a guarantee of the payment of charges. The fact that a deposit has been made in no way relieves the applicant or customer from complying with the Company's regulations as to advance payments or the prompt payment of bills on presentation. At such time as the service is terminated the amount of the deposit is credited to the customer's account and any credit balance which may remain is refunded. At the option of the Company such a deposit may be refunded in all or part or credited to the customer at any time prior to the termination of the service. In case of a cash deposit, interest is paid at the rate of 6% per annum to begin and run from the date said deposit is made except that, no interest shall apply on a deposit unless the deposit and the service have been in existence for a continuous period of six months.
- D. The Company reserves the right to increase the deposit requirement when in its judgment the conditions justify such action.
- E. Effective April 1, 1996, a charge of \$20.00 or 5 percent of the face value of the check, whichever is greater, will apply whenever a check or draft presented for payment for service is not accepted by the institution on which it is written. For a check or draft written prior to this date, a charge of \$15.00 will apply.
- F. A Late Payment Charge of ~~1 1/2%~~ 1 1/2% applies to each customer's bill when the previous month's bill (including amounts billed in accordance with the Company's Billing and Collections Services Tariff) has not been paid in full prior to the next billing date. The ~~1 1/2%~~ charge is applied to the total unpaid amount carried forward and is included in the total amount due on the current bill. Late payment charges to governmental entities shall be the maximum allowed by law but no more than 1 1/2% per month.
- G. At the option of the customer, all nonrecurring charges associated with an order for service may be billed over a three month period subject to the following:
- 50% of the total nonrecurring charges will be billed in the first monthly billing period after the charges are incurred, and 25% of the total nonrecurring charges plus an Extended Billing Plan Charge will be billed in each of the following two monthly billing periods.
 - The Extended Billing Plan Charge is calculated at a rate of 1.0% per month or 12% annually, on the unbilled balance of the nonrecurring charges.
 - If the customer disconnects service before the expiration of the plan period, all unbilled charges plus the Extended Billing Plan charge, if applicable, will be included in the final bill rendered.
 - If the customer fails to make any of the payments prior to the next billing date these late payment charges as specified in F. preceding will apply.

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~~Note to:~~ Nonpayment of this charge will not constitute sufficient cause for interruption or cancellation of service.

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(T)

(C)

Status Tracking

Status: Working

	Save and Return	Send 4 Validation	Return to QC
Jurisdiction:	FLORIDA	Issue Date:	06/20/97
SME:	Wanda L Yow	Effective Date:	07/05/97
Folder Title:	FLXCOU	Filing Date:	
Filing Package #:	FL96-139	Approval Date:	
Tariff Notification Type:	<input type="checkbox"/> New Service Offering <input type="checkbox"/> Changes in Existing Service <input type="checkbox"/> Discontinued Service Offering <input type="checkbox"/> Promotion	Notification Date:	05/12/97
		Posting Date:	05/09/97
		By:	Kay Williams

(Push Button to Identify PSIMS Effects)

☐ Yes
☐ No

Service Narrative: Increases the Late Payment Charge from 1.5% to 1.63%, Eliminate SNAC, Increase Trouble Location Charge from \$35 to \$45.

Sections: A2, B2

(Push Button to Identify Any Revenue Effects)

Is this a new service where Revenue is affected?

☐ YES
☒ NO

Is this an existing service where the rates have been changed or significantly impacted?

☒ YES
☐ NO

If you entered YES to either of the above questions the following Revenue Data is required:

Revenue Data

Test Period:

SUBJECT INDEX

S. (Cont'd)

SUBJECT	SECTION
(DELETED)	
Special Promotions	A2.10
Special Reversed Charge Toll Service (Enterprise)	A118.1.1
Special Service Arrangements	A5.5
Special Text Listing (Business)	A6.7.18
Special Types of Installation	A5.4.1
Statewide Rate Groups	A3.2
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A1. DEFINITION OF TERMS

SERVICE LINE

A two-way business individual line, a dial PBX access line, a Centrex Type Services main access line, or an extension of any of the before mentioned, which is required for testing of certain services provided by the Company and which is to be billed at the existing tariff rate.

SHARED TENANT SERVICES OR STS

The sharing or resale of a common group of local exchange service access lines through a common switching or billing arrangement to commercial tenants in a single building.

SHARED TENANT SERVICES PROVIDER

One who has been granted a certificate of public convenience and necessity by the Florida Public Service Commission to provide Shared Tenant Services in accordance with Chapter 86-270 Laws of Florida (or Section 364.339 Florida Statutes (Supp. 1986).

SIMPLE BUSINESS⁽¹⁾

The term Simple Business as specified herein is defined as business line Basic Exchange Service which does not terminate in a communications system. The term Business Non-Key is synonymous with the term Simple Business.

(DELETED)

SPEED CALLING

A private branch exchange, Centrex or local exchange feature which permits the station dialer to reach other stations by abbreviated dialing.

STANDARD NETWORK INTERFACE

See Network Interface

STATION

A unit of service, complete with instrument, either customer or Company provided and lines (circuits), so arranged as to permit sending and receiving messages through the exchange and long distance network. Instruments and lines when furnished by the Company, are charged for separately, unless otherwise specified in the Tariff.

a. Main and Extension Stations (See Centrex Type Services)

- (1) Main Station: A station, directly connected by means of an individual line with a central office.
- (2) Extension Station: An additional station connected on the same circuit as the main station and subsidiary thereto.

Note 1: In all sections of the General Subscriber Service Tariff, the Private Line Service Tariff and the Access Service Tariff, any references to the Business Line rates refer to the Complex Business Individual Line rates as provided in this Tariff.

A2. GENERAL REGULATIONS

A2.4 Payment Arrangements and Credit Allowances (Cont'd)

A2.4.3 Payment for Service (Cont'd)

- C. A Late Payment Charge of 1.63 percent will be applied to each customer's bill, (including amounts billed in accordance with the Company's Billing and Collections Services Tariff) when the previous month's bill has not been paid in full prior to the next billing date. The 1.63 percent charge is applied to the total unpaid amount carried forward and is included in the total amount due on the current bill. This Tariff shall apply to federal and state government pursuant to existing statutes applicable to those governmental entities. Effective January 1, 1992, county and municipal governments will be assessed a 1 percent Late Payment Charge in accordance with the provisions of the Florida Prompt Payment Act, Section 218.70-218.79, Florida Statutes.
- D. Should service be suspended for nonpayment of charges, it will be restored only as provided under "Restoration Charge" in Section A4. of this Tariff.
- E. When the service has been disconnected for nonpayment, the service agreement is considered to have been terminated. Reestablishment of service may be made only upon the execution of a new service agreement which is subject to the provisions of this Tariff.
- F. In its discretion, the Company may restore or reestablish service which has been suspended or disconnected for nonpayment of charges, prior to payment of all charges due. Such restoration or reestablishment shall not be construed as a waiver of any rights to suspend or disconnect service for nonpayment of any such or other charges due and unpaid or for the violation of the provisions of this Tariff; nor shall the failure to suspend or disconnect service for nonpayment of any past due account or accounts operate as a waiver or estoppel to suspend or disconnect service for nonpayment of such account or of any other past due account.
- G. Bills for service shall not be considered delinquent prior to the expiration of fifteen days from the date of mailing or delivery by the company. However, the company may demand immediate payment under the following circumstances:
 - 1. Where service is terminated or abandoned.
 - 2. Where toll service is two times greater than the subscriber's average usage as reflected on the monthly bills for the three months prior to the current bill or, in the case of a new customer who has been receiving service for less than four months, where the toll service is twice the estimated monthly toll service.
 - 3. Where the Company has reason to believe that a business subscriber is about to go out of business or that bankruptcy is imminent for that subscriber.

A2.4.4 Allowance for Service Outages

When the use of service or facilities furnished by the Company becomes unavailable due to any cause other than the negligence or willful act of the subscriber or the failure of the facilities provided by the subscriber, a pro rata adjustment of the fixed monthly charges involved will be allowed, for the service and facilities rendered useless and inoperative by reason of the service outage during the time the outage continues in excess of twenty-four hours from the time it is reported to or detected by the Company, except as otherwise specified in this tariff. The adjustment shall not be applicable for the time that the Company stands ready to repair the service and the subscriber does not provide access to the Company for such restoration work. For the purpose of administering this regulation, every month is considered to have thirty days.

A4. SERVICE CHARGES

(T)

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ISSUED: June 20, 1997
BY: Joseph P. Lacher, President -FL
Miami, Florida

EFFECTIVE: July 5, 1997

A4. SERVICE CHARGES

A4.2 Application of Charges (Cont'd)

A4.2.3 Line Change Charge Application (Cont'd)

- D. The Line Change Charge applies: (Cont'd)
2. For each change of station number for Centrex-CO, ESSX® service, Digital ESSX® service, MultiServ® service and MultiServ PLUS® service, and for each change in the operation of a NAR for ESSX-1. This charge is applicable in addition to the appropriate charge for station number changes when a change of basic exchange telephone number is requested coincident with a change of station number.
 3. For each line or trunk, or for each NAR on ESSX-1 being restored after service is temporarily denied for nonpayment.
 4. For each line or trunk, for each NAR on ESSX-1 being temporarily suspended at the request of a customer.
 5. For changing from loop start to ground start and vice versa and for changing from a line to a trunk and vice versa, for changes in direction, etc.
 6. For changing from Foreign Central Office Service to home wire center and vice versa.

A4.2.4 Secondary Service Charge Application

- A. The Secondary Service Charge will not apply if a Line Connection Charge or Line Change Charge is applicable.
- B. The Secondary Service Charge applies for adding or rearranging:
1. Custom Calling Service
 2. Prestige® Communications service
 3. Grouping Service
 4. RingMaster® service
 5. TouchStar® service
 6. Customized Code Restriction
 7. Customer requested directory listing changes
 8. Remote Call Forwarding
 9. Other features or services for which the Line Connection Charge and Line Change Charge are not applicable.
- C. The Secondary Service Charge applies for:
1. Transfers of responsibility.
 2. Changing from residence to business service and vice versa. The business charge applies when changing to business and the residence charge applies when changing to residence. If the telephone number changes the Line Change Charge applies in lieu of the Secondary Service Charge.
 3. Rearrangement of drop wire, protector, and/or network interface. Additionally, Premises Work Charges will apply.
 4. Installing a Network Interface jack, at the customer's request, on existing service. Additionally, Premises Work Charges will apply.

A4. SERVICE CHARGES

A4.2 Application of Charges (Cont'd)

A4.2.4 Secondary Service Charge Application (Cont'd)

- C. The Secondary Service Charge applies for: (Cont'd)
 - 5. Changing call referrals to another number at the customer's request.
- D. The Secondary service Charge is also applicable:
 - 1. When installing or changing a station line or changing a station number on ESSX-1 service.
 - 2. When adding or changing the operation of a NAR on ESSX® service, Digital ESSX® service, Centrex service or MultiServ PLUS® service.
- E. Beginning December 1, 1995 and ending November 30, 1996, a special waiver of the Secondary Service Charge will apply when residence subscribers order one or more of the following services. Custom Calling services, Message Waiting Indication service, Prestige® Communications service, TouchStar® service, Designer Listings or RingMaster® service.

A4.2.5 Premises Work Charge Application

- A. The appropriate Line Connection Charge, Secondary Service Charge or Line Change Charge applies in addition to the Premises Work Charge.
- B. Premises Work Charges apply per customer request, per Company employee performing billable work on the customer's premises. The sum of their time is used to determine the number of 15-minute increments to be billed. Only one initial increment is to be billed per customer request except when the customer specifically requests more employees than the Company would normally dispatch. Where additional employees are specifically requested by the customer, the initial increment charge will also apply per additional Company employee specifically requested.
- C. Premises Work Charges apply:
 - 1. For, but not limited to, rearrangement of drop wire, protector and/or network interface.
- D. The charge for a Network Interface jack applies in addition to the appropriate Premises Work Charges for installing a Network Interface at the customer's request on existing service.

A4.2.6 Service Charge Exceptions

- A. Any additional work done concurrently with the following excepted work will entail service charges applicable to that work.
- B. Service Charges do not apply for:
 - 1. Adding Touch-Tone Service when no other services are requested.
 - 2. Changing from a private or semiprivate listing to a listed number.
 - 3. Requests for establishing toll credit cards.
 - 4. Requests for full or partial disconnection.
 - 5. Changing from one flat, measured or message rate basic service (including Area Plus® service and Complete Choice® options) to another.

ISSUED: June 20, 1997
BY: Joseph P. Lacher, President -FL
Miami, Florida

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A4. SERVICE CHARGES

A4.2 Application of Charges (Cont'd)

A4.2.6 Service Charge Exceptions (Cont'd)

B. Service Charges do not apply for: (Cont'd)

6. Converting existing customers to Lifeline.
7. The move from a premises which has been destroyed or made untenable by a disaster such as a hurricane, tornado, fire, flood, etc., when equivalent service is established, at the new/temporary location or for the move back into the original location.
8. Changing telephone numbers when in the judgment of the Company such changes are necessary for continuation of satisfactory service.
9. Changing the primary listing of a residence customer to the name of the remaining spouse in event of death, or divorce of the spouse currently listed.
10. Additional features requested with and provided as a part of the customer's request for service that is subject to a service ordering waiver. Charges other than for service ordering may apply for additional services added.
11. Upgrades from Back-Up* Line service to business individual line service.

C. Service charges for connection, move or change do not apply to telephone service previously provided over a Government System in military housing where there is no break in the continuity of service.

A4.2.7 Installment Billing

- A. Except as provided in this paragraph and B. following, service connection, and/or rearrangement charges separately or in combination are required to be paid at the time of application for service. Service may be established in advance of payment of service connection charges for additions to the service of existing subscribers and for any service provided for the use of departments, administrations or agencies of the Federal, State, County or Municipal Government. Service Charges may be paid in monthly installments of not less than the amounts shown below not to exceed a total of more than six months. If additional such charges are incurred while a balance is due on previous charges, the above treatment will apply separately to the new charges.

1. First Month

- (a) Residence
- (b) Business

Monthly Rate	USOC
\$15.00	NA
25.00	NA

2. Subsequent Months

- (a) Residence
- (b) Business

5.00	NA
5.00	NA

Material previously appearing on this page now appears on page(s) 6 of this section.

* Service Mark of BellSouth Corporation

ISSUED: June 20, 1997

BY: Joseph P. Lacher, President -FL
Miami, Florida

EFFECTIVE: July 5, 1997

A4. SERVICE CHARGES

A4.3 Schedule of Charges for Connecting or Changing Service

A4.3.1 Rates and Charges

A. Line Connection Charge

1. Applies per exchange access line, trunk, or per NAR for ESSX-1.

	Residence	Business	USOC
(a) First Line (<i>per customer request</i>)	\$40.00	\$56.00	NA
(b) Additional Line (each)	12.00	12.00	NA

B. Line Change Charge

1. Applies per exchange access line, trunk, or per NAR for ESSX-1.

(a) First Line (<i>per customer request</i>)	23.00	38.00	NA
(b) Additional Line (each)	11.00	11.00	NA

C. Secondary Service Charge

1. Applies per customer request

(a) Each	10.00	19.00	NA
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D. Premises Work Charge

1. First 15-minute increment or fraction thereof

(a) Per increment	25.00	28.00	NA
-------------------	-------	-------	----

2. Each additional 15-minute increment or fraction thereof

(a) Per increment	9.00	9.00	NA
-------------------	------	------	----

A4. SERVICE CHARGES

A4.4 Dual Service

A4.4.1 General

- A. Dual Service is a service offering which supplies the same dial tone concurrently to two different addresses served from the same wire center for a limited period of time (90 days maximum) for nondesignated services only. The provision of Dual Service assures the customer continual service at both locations during the time of a move. (M)
- B. A request for Dual Service occurs on orders for a transfer of service (T&F) within the same wire center where no telephone number change is involved. (M)
- C. Dual Service will be offered subject to the availability of facilities and technical limitations. (M)
- D. Payment for Dual Service is provided for by billing the nonrecurring charge following plus the applicable portion of the monthly rate on both lines during the period of service overlap, regardless of the duration of that overlap (90 days maximum). (M)

A4.4.2 Rates and Charges

A. Exchange Access Line

- 1. Per line, trunk or main station line (M) (T)

- (a) Residence
- (b) Business

Nonrecurring
Charge

\$20.00
20.00

USOC
NA
NA

A4.5 Reserved for Future Use

A4.6 (DELETED)

BELLSOUTH
TELECOMMUNICATIONS, INC.
FLORIDA

ISSUED: June 20, 1997

BY: Joseph P. Lacher, President -FL
Miami, Florida

GENERAL SUBSCRIBER SERVICE TARIFF

First Revised Page 8
Cancels Original Page 8

EFFECTIVE: July 5, 1997

A4. SERVICE CHARGES

A4.6 (DELETED) (Cont'd)

Material previously appearing on this page now appears on page(s) 9 of this section.

A4. SERVICE CHARGES

A4.7 Link-Up Florida

A4.7.1 General

- A. Link-Up Florida is offered in all exchanges to provide subsidized assistance to qualifying applicants. It is intended to preserve and promote subscribership among low income households by providing a credit to and a deferred schedule for payment of the installation and connection charges applicable to the provisioning of residence service.
- B. The Company's rules for the Link-Up Florida program are as provided in Commission Order No. 19684, Docket No. 880847-TL.
- C. The Company's deferred payment schedule referenced in Commission Order No. 19684, Docket No. 880847-TL is as provided in this Tariff.

A4.7.2 Regulations

- A. Persons wishing to qualify for the credit must meet state certification criteria for eligibility. This credit is available only to residence customers, and will be applied to the nonrecurring charges for the establishment of service for a single telephone line per household at the principal place of residence.
- B. The subscriber must not be a dependent for federal income tax purposes, unless the subscriber is more than 60 years of age.
- C. The subscriber must be a current recipient of or certified eligible for Medicaid or Food Stamps.

A4.7.3 Rates and Charges

- 1. Federal credit¹

(a) Each

Nonrecurring Charge	USOC
\$-	NA

A4.8 Reserved for Future Use

A4.9 Reserved for Future Use

A4.10 Reserved for Future Use

A4.11 Reserved for Future Use

Note 1: Credit is 50 percent of the Line Connection Charge. The credit is not to exceed \$30.00.

ISSUED: June 20, 1997

BY: Joseph P. Lacher, President -FL
Miami, Florida

EFFECTIVE: July 5, 1997

A15. CONNECTIONS OF TERMINAL EQUIPMENT AND COMMUNICATIONS SYSTEMS

A15.3 Communications Systems (Cont'd)

A15.3.4 Reserved for Future Use

A15.3.5 Connecting Arrangements - Voice Communications - Automatic

Except as otherwise provided in A15.1.7 and A15.1.8 of this Tariff, installations of new connecting arrangements will not be made for connection of terminal equipment, for connection of communications systems and for equipment-to-equipment connections. Treatment with respect to grandfathered installations which include such connecting arrangements is covered in A15.1.3.B of this Tariff.

A15.4 Trouble Location Charge

A15.4.1 Rates and Charges

- A. The customer shall be responsible for payment of a nonrecurring charge for each visit by the Company to the premises of the customer or joint user(s) solely to determine that the service difficulty or trouble report results from the use of equipment or facilities provided by the customer or his joint user(s).

1. Exchange and WATS service

Nonrecurring Charge	USOC
\$45.00	MCE

(a) Per Service Call

A15.4.2 Reserved for Future Use

A15.5 Connections of Other Carrier-Provided Communications Systems

A15.5.1 General Provision

Communications systems provided by the Other Carrier (listed in A15.5.6) hereafter referred as the OC, may be connected with the facilities furnished by the Company for telecommunications services as specified in A15.5.2 through A15.5.9 following.

B2. REGULATIONS

B2.4 Payment Arrangements and Credit Allowances (Cont'd)

B2.4.1 Payment of Charges and Deposits (Cont'd)

- B. Applicants for service who have no account with the Company or whose financial responsibility is not a matter of general knowledge, may be required to make an advance payment at the time an application for service is placed with the Company, equal to the service connection or installation charges, if applicable, and at least one month's charges for the service provided. In addition, where the furnishing of service involves an unusual investment, applicants may be required to make payment in advance of such portion of the estimated cost of the installation or construction as is to be borne by them. The amount of the advance payment is credited to the customer's account as applying to any indebtedness of the customer for the service furnished.
- C. The Company may, in order to safeguard its interests, require an applicant or customer to make such deposit as the Company deems suitable to be held by the Company as a guarantee of the payment of charges. The fact that a deposit has been made in no way relieves the applicant or customer from complying with the Company's regulations as to advance payments or the prompt payment of bills on presentation. At such time as the service is terminated the amount of the deposit is credited to the customer's account and any credit balance which may remain is refunded. At the option of the Company such a deposit may be refunded in all or part or credited to the customer at any time prior to the termination of the service. In case of a cash deposit, interest is paid at the rate of 6% per annum to begin and run from the date said deposit is made except that, no interest shall apply on a deposit unless the deposit and the service have been in existence for a continuous period of six months.
- D. The Company reserves the right to increase the deposit requirement when in its judgment the conditions justify such action.
- E. Effective April 1, 1996, a charge of \$20.00 or 5 percent of the face value of the check, whichever is greater, will apply whenever a check or draft presented for payment for service is not accepted by the institution on which it is written.¹ For a check or draft written prior to this date, a charge of \$15.00 will apply.
- F. A Late Payment Charge of 1.63% applies to each customer's bill when the previous month's bill (including amounts billed in accordance with the Company's Billing and Collections Services Tariff) has not been paid in full prior to the next billing date. The 1.63% charge is applied to the total unpaid amount carried forward and is included in the total amount due on the current bill. Late payment charges to county and municipal governments entities shall be assessed a 1 percent Late Payment Charge in accordance with the provisions of the Florida Prompt Payment Act, Section 218.70-218.79, Florida Statutes.
- G. At the option of the customer, all nonrecurring charges associated with an order for service may be billed over a three month period subject to the following:
- 50% of the total nonrecurring charges will be billed in the first monthly billing period after the charges are incurred, and 25% of the total nonrecurring charges plus an Extended Billing Plan Charge will be billed in each of the following two monthly billing periods.
 - The Extended Billing Plan Charge is calculated at a rate of 1.0% per month or 12% annually, on the unbilled balance of the nonrecurring charges.
 - If the customer disconnects service before the expiration of the plan period, all unbilled charges plus the Extended Billing Plan charge, if applicable, will be included in the final bill rendered.
 - If the customer fails to make any of the payments prior to the next billing date these late payment charges as specified in F. preceding will apply.

Note 1: Nonpayment of this charge will not constitute sufficient cause for interruption or cancellation of service.

To be filed 6/20

Filing Package: 870.0600-FL96-139

Birmingham, Alabama
June 12, 1997

To: George L. Frazee, Manager - Regulatory and External Affairs - FL
From: Wanda L. Yow, Manager - PCU - Regulatory and Pricing Support
Subject: Transmittal of Tariff Filing Package to Increase the Late Payment Charge,
Eliminate the Special Number Assignment Charge (SNAC), and Increase the
Trouble Location Charge in Florida

Attached is the original and the requested copies of an A2, B2, A4, and A15 Tariff Filing Package that will increase the Late Payment Charge from 1.5% to 1.63%, eliminate the Special Number Assignment Charge (SNAC), and increase the Trouble Location Charge from \$35 to \$45 in Florida. The Late Payment Charge for local government entities will remain at 1.0%.

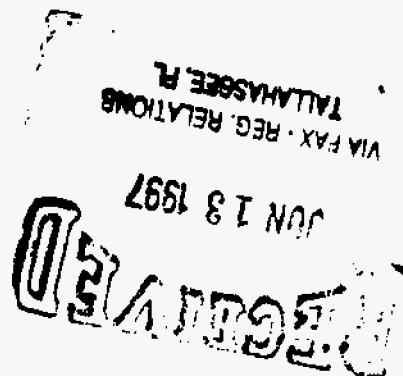
This Tariff will have a file date of June 20, 1997 with a proposed effective date of July 5, 1997.

If you have any questions, please call me at (205) 977-2338.

Wanda L. Yow

Attachments

cc: See Distribution List
Basic Exchange Product Team
Conrad Martin
Linda Lemmon
Sandra Owens
Janis Lane
Dale Johnson
Connie Cortez
Steve Daniels
Sherry Bircheat
Bonnie O'Bannon
Vickie Milne



<u>Tariff</u>	<u>Recipient</u>
A,B - S,T	Pam Belrose, Tariff Implementor-Customer Billing Svcs.-FL
All - S,T	Dorothy Bennett, State Product Champion-Florida
All - S,T	Chuck Blackburn, Manager-Interconnection Services
B - S	Herb Cash, Executive Director-Broadband
E - S,T	Marc Cathey, Senior Director-Interconnection Services
All - P	Judy Cobb, Manager-Economic Analysis
E - P,R	Nita Furlong, Manager-Billing Management-CABS
E - P	Clyde Green, Specialist-CBS
All - S	Jerry Hendrix, Director-Interconnection Services-Pricing
All - P,R	Sharon Hutchens, Manager-Pricing Strategy
ALL - P,R	Patti Klein, Manager-Finance
All - S	Tony Lombardo, President-Regulatory-FL
E - S,T	Marie Luft, Manager-Finance
E - S,T	LaFawn McCormick, Manager-Interconnection-Sales
E - S,T	Rick Ratliff, Manager-Interconnection-Sales
All - S,T	Nancy Sims, Director-Regulatory-Florida
All - S,T	Usage Billing Supervisor-Comptrollers
All - P	Tom Walden, Manager-Pricing Strategy
All - P	Johnnie Walker, Director-Complex Services
All - P,R	Kay Williams, Manager-Pricing Strategy
A - S	Terry Yarbrough, Senior Director-Consumer Services
All - P	Marva Ziegler, Pricing-Special Assembly Group

A = General Subscribers Service Tariff
 B = Private Line Services Tariff
 E = Access Services Tariff
 ALL = A, B, and E Tariffs

P = Package with cost
 PNC = Package without cost
 R = Revenue
 S = Commission Letter/
 Executive Summary
 T = Tariff Pages

04/24/97 - Contact Rachel Lance (404-529-2922) with changes to this list.

22. Florida Regulatory Meeting - LPC/DCA dated June 9, 1999. (Redacted)

PROPRIETARY