

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed tariff filing by)	DOCKET NO. 890697-TL
SOUTHERN BELL TELEPHONE AND TELEGRAPH)	
COMPANY introducing intraLATA only)	ORDER NO. 22059
800 service)	
_____)	ISSUED: 10-16-89

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman
 THOMAS M. BEARD
 BETTY EASLEY
 GERALD L. GUNTER
 JOHN T. HERNDON

ORDER APPROVING TARIFF REVISION

BY THE COMMISSION:

On April 17, 1989, Southern Bell Telephone and Telegraph Company (Bell) filed a revision (the Revision) to its General Subscriber Service Tariff proposing to introduce IntraLATA Only 800 Service. The Revision proposes to allow a Bell customer to order 800 Service on less than a statewide basis, choosing only those LATAs from which the customer wishes to receive calls.

In 1985, United Telephone Company of Florida (United) proposed a similar service when it sought authority for its Access Tariff. United requested permission to offer 800 Service on a tandem-by-tandem basis to interexchange carriers (IXCs). We rejected this proposal, stating that 800 Service was ubiquitous to consumers and that customer confusion would result if an advertised 800 number could not be accessed by all consumers within the advertisement's circulation area.

AT&T Communications of the Southern States, Inc. (ATT-C) sought authority in 1988 to introduce an intrastate offering as an addition to its interstate Ready line 800 Service. By approving this service in Docket No. 880412-TI, we permitted an ATT-C customer to subscribe to 800 Service over a standard business line as opposed to a dedicated line and to choose the Area Codes (NPAs) from which to receive 800 calls. For example, a Miami customer in NPA 305 may choose to only receive

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calls from NPA 407; intrastate 800 calls from NPAs 904 and 813 would be blocked. Since this intrastate service is offered by ATT-C as an addition to interstate service, the customer must subscribe to at least one interstate NPA as well.

Bell says that the usage of its 800 Service has decreased as IXCs have introduced their statewide 800 services utilizing a single 800 number which compete with the local exchange companies (LECs) in the intraLATA, interEAEA market. Bell intends its proposed IntraLATA Only 800 Service as a means of regaining some of this usage that it has lost. The Revision proposes a \$55.00 nonrecurring setup charge and the same recurring rates for IntraLATA Only 800 Service that are now being charged for intrastate 800 services. An additional \$3.00 per month charge would be assessed for the proposed service from an exchange access line. Also, a \$10.00 nonrecurring charge and a \$2.00 monthly charge would apply to customers using common lines and ordering service from multiple LATAs.

The Revision proposes that a Bell subscriber with operations in more than one LATA be allowed to order Variable Call Routing which employs a single 800 number and routes a call to a subscriber location in the call's originating LATA. For a call placed in a LATA not ordered by the subscriber, the caller would hear a recording stating that the call cannot be completed from that area and instructing the caller to seek assistance from an operator. In response to concerns expressed by our Staff, Bell included in the Revisions the following proposed language: "IntraLATA Only 800 Service customers shall contain in all advertisements, publications, and any other communication containing the IntraLATA Only 800 number a commonly understood description of all geographic calling limitations."

We were initially concerned that the Revision proposed rates similar to existing services. The Revision indicates that this service would be offered over either a dedicated access line (DAL) or a common B-1 line which would eliminate the need for a customer to order an additional line for the proposed service. No financial incentive would therefore be provided to the proposed service's subscribers for ordering DALs when their usage increases. We have concluded that subscribers may recognize the queuing and traffic separation advantages offered by DALs and that they are not a necessary element of the proposed service for two reasons. First, the

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installation of optic facilities has increased capacity, thereby lowering the need for DALs to separate traffic and to control facility usage. Also, while DALs are important in preventing subscribers with low usage from switching from MTS to discounted WATS services, they are not needed to serve that function for 800 Service which is offered under a single rate structure.

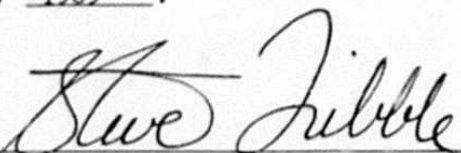
Upon review, we approve Bell's introduction of IntraLATA Only 800 Service. The proposed charges appear to recover the costs of providing the service, as estimated by Bell, and to furnish a significant contribution toward overhead expenses. Bell projects increased revenues of \$460,000 in the first year, based on reaching 60% of the market potential. We find that the public interest will be served by offering small business customers an 800 service tailored to their needs in specific market regions. IntraLATA Only 800 Service will permit subscribers who do not need statewide service and cannot justify a DAL to be reached by their customers without their incurring toll charges. For these reasons, the Revision is approved with an effective date of September 1, 1989.

Now therefore, it is

ORDERED by the Florida Public Service Commission that Southern Bell Telephone and Telegraph Company's revision to its General Subscriber Service Tariff filed on April 17, 1989, which proposes to introduce IntraLATA Only 800 Service is hereby granted with an effective date of September 1, 1989. It is further

ORDERED that this docket is hereby closed.

By ORDER of the Florida Public Service Commission,
this 16th day of OCTOBER, 1989.



STEVE TRIBBLE, Director
Division of Records and Reporting

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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 Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.