

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed tariff to add) DOCKET NO. 920127-TI
a Term and Revenue Commitment) ORDER NO. PSC-92-0071-FOF-TI
to Megacom 800 service by AT&T) ISSUED: 3/17/92
COMMUNICATIONS OF THE SOUTHERN)
STATES, INC.)
_____)

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
SUSAN F. CLARK
J. TERRY DEASON
BETTY EASLEY
LUIS J. LAUREDO

ORDER APPROVING TARIFF

BY THE COMMISSION:

On February 7, 1992, AT&T Communications of the Southern States, Inc. (AT&T-C) filed a proposed tariff to add a Term and Revenue Commitment to Megacom 800 service. The plan is designed to offer those customers of Megacom 800 service having more than \$1,500,000 in annual usage an alternative to usage rate billing.

Currently, charges per hour for Megacom 800 service are:

Day	=	\$9.15
Evening	=	\$7.02
Night/weekend	=	\$5.10

In conjunction with these rates, there is a pricing plan available called the Volume Value Plan (VVP). The VVP allows varying discounts based on monthly dollar volumes as follows:

DOLLARS	DISCOUNT
\$0 - \$10,000	0%
\$10,000.01 to \$30,000	10%
\$30,000.01 -	15%

This filing would allow very large volume customers to pay a flat rate of \$6.00 per hour, amounting to a considerable discount over the VVP prices. In addition to the discounted hourly rate, for new customers, the first monthly charges will be waived (a \$50,000 maximum).

If a customer falls short of meeting the \$1,500,000 annual usage amount, ATT-C will penalize the customer 100% of the

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difference. For example, if the customer had \$1,450,000 the first year, she would be penalized \$50,000.

The plan requires a three year commitment by the customer. The customer is allowed to cancel if rates should be raised at any time without customer consent or notification to cancel is received by ATT-C prior to implementation of the plan. If the plan is cancelled for any other reason, the customer is assessed a 30% penalty on the remaining commitment balance. For example, if the customer wants to cancel after two and one half years, she would be penalized 30% of \$750,000 or \$225,000.

ATT-C states that the proposal is an effort to meet competition. According to ATT-C, the decrease in rates is needed to keep the two customers expected to take the service. The offering of this plan is of benefit to large customers by providing a rate decrease.

ATT-C expects a decrease in annual revenues of \$700,000. This figure is based on maintaining existing customers and does not reflect stimulation. The Company estimates two potential customers exist for the service. AT&T-C indicates that even with the deep discount over the VVP plan rates coupled with the free first full month, rates cover the cost of providing the service.

Upon review, we find that this filing will benefit those large volume customers who qualify for the reduced rates. Thus, we approve the tariff as filed with an effective date of March 10, 1992.

Therefore, based upon the foregoing, it is

ORDERED by the Florida Public Service Commission that AT&T Communications of the Southern States' tariff to add a Term and Revenue Commitment to Megacom 800 service is approved as filed with an effective date of March 10, 1992.

ORDERED that if a timely protest is filed pursuant to the requirements set forth below, all increased revenues resulting from this filing shall be held subject to refund. It is further

ORDERED that if no protest is received within the time frame set forth below, this docket shall be closed.

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By Order of the Florida Public Service Commission, this
17th day of MARCH, 1992.


STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

JRW

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 Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the action proposed files a petition for a formal proceeding, as provided by Rule 25-22.036(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a)(d) and (e), 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 32399-0870, by the close of business on 4/7/92.

In the absence of such a petition, this Order shall become final on the day subsequent to the above date.

Any objection or protest filed in this docket before the issuance date of this Order is considered abandoned unless it

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satisfies the foregoing conditions and is renewed within the specified protest period.

If this Order becomes final on the date described above, any party adversely 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 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 of the date this Order becomes final, 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.