BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into the) DOCKET NO. 910800-TP implementation of operator transfer service.

) ORDER NO. PSC-92-0391-FOF-TP) ISSUED: 05/26/92

The following Commissioners participated in the disposition of this matter:

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

NOTICE OF PROPOSED AGENCY ACTION ORDER REQUIRING OPERATOR TRANSFER SERVICE TARIFFS TO BE FILED

BY THE COMMISSION:

I. BACKGROUND

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 adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

Operator Transfer Service (OTS) provides for the transfer of 0- interLATA calls from a local exchange company (LEC) operator to subscribing interexchange carriers (IXCs) and alternate operator service (AOS) companies. The OTS tariff for Southern Bell Telephone and Telegraph Company (Southern Bell) was approved by Order No. 24698, with an effective date of June 17, 1991.

Subsequently, Docket No. 910800-TP was opened to determine the appropriate guidelines under which OTS should be provided. The main issue in this docket has been how to strike an appropriate balance between the end user's carrier preference and the subscriber's choice of presubscribed carrier. This issue is primarily of concern to pay phone providers.

In Order No. 25601, issued on January 13, 1992, in the instant docket, we stated that where an end user has a clear carrier preference, this preference must be honored. Absent a clear carrier preference or request for direct transfer, the subscriber's choice (rather than the end user's choice) of presubscribed carrier must be honored.

By Order No. 25601, we also imposed requirements on all other LECs to either file an OTS tariff or a study justifying the DOCUMENT NUMBER-DATE

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inability of the LEC to offer OTS. Any study was required to include the changes necessary to enable the LEC to provide OTS. All LECs responded; however, some did not meet the April 1, 1992, due date specified in the Order.

This Order addresses (1) the adequacy of the LEC submissions required by Order No. 25601, and (2) the proposed OTS enhancement to directly transfer O- interLATA calls to the presubscribed carrier of the originating access line.

II. OTS TARIFFS

United Telephone Company of Florida (United), GTE Florida Incorporated (GTEFL), and St. Joseph Telephone & Telegraph Company (St. Joe) have submitted OTS tariffs, while the other LECs submitted letters. ALLTEL Florida, Inc., Florala Telephone Company, Gulf Telephone Company, Indiantown Telephone System, Inc., Northeast Florida Telephone Company, Inc., Quincy Telephone Company, and Southland Telephone Company are unable to offer OTS since they do not have their own operators. In the case of Quincy Telephone Company, there is concern because the company uses AT&T operators. AT&T would have no reason to offer OTS since this would syphon off business to competitors. Since no other IXCs have points-of-presence in Quincy, OTS is not viable there at present.

Central Telephone Company of Florida (Centel) and Vista-United Telecommunications (Vista-United) did not commit to providing OTS. While the responses of Centel and Vista-United are in compliance with Order No. 25601, it was our intent to establish firm implementation dates from those LECs which are capable of providing the service.

By letter, Centel and Vista-United indicated that the software which is required to offer the service could be available by December, 1993, and the fourth quarter of this year, respectively. On this basis, we find that it is reasonable to require those LECs to implement OTS by January 1, 1994.

In Order No. 25601, we noted the need to further investigate the costs associated with direct transfer of O- interLATA calls to the presubscribed carrier of the originating access line. Under this proposed enhancement, callers who had no carrier preference could be transferred automatically. Centel, GTEFL, Southern Bell, and United all responded to our data request on this subject.

The only company which was able to provide cost per transfer estimates for this enhancement was Southern Bell. Southern Bell

identified two possible approaches for providing this enhancement, a software based solution and a separate trunk group solution. With the former, a software table would contain the telephone number of each access line to homes on a particular operator center and the corresponding Presubscribed Interexchange Carrier (PIC). With the latter approach, traffic would be transported over separate trunk groups to the operator center according to the presubscribed carrier of the originating access line. Both solutions are extremely costly. Southern Bell estimated \$11.53 per transfer under the software solution and \$19.29 per transfer under the separate trunk group solution. Even if these costs are spread over all OTS callers, rather than the estimated 24% who have no carrier preference, we find that the cost per transfer would still be excessive. Thus, we will not pursue adding this feature to OTS at this time.

Based upon the foregoing, it is

ORDERED by the Florida Public Service Commission that it is acknowledged that each local exchange company filed a tariff or study (letter) as required by Order No. 25601. It is further

ORDERED that Central Telephone Company of Florida and Vista-United Telecommunications are hereby required to provide firm operator transfer service implementation dates by September 1, 1992. Such implementation of operator transfer service shall be on or before January 1, 1994. It is further

ORDERED that the proposed operator transfer service enhancement to directly transfer O- interLATA calls to the presubscribed carrier of the originating access line shall not be pursued further at this time. It is further

ORDERED that this Docket shall remain open until Central Telephone Company of Florida and Vista-United Telecommunications provide the Commission with firm operator transfer service implementation dates.

By ORDER of the Florida Public Service Commission, this <u>26th</u> day of <u>May</u>, <u>1992</u>.

(SEAL)

STEVE TRIBBLE, Director Division of Records and Reporting

CWM

by: Kay Hips

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 at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on June 16, 1992.

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 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 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 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.