BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for application)
of tariff filing to expand)
Direct Station Selection / Busy)
Lamp Field offering for the)
State of Florida by CENTRAL)
TELEPHONE COMPANY OF FLORIDA.)

DOCKET NO. 920671-TL ORDER NO. PSC-92-0718-FOF-TL ISSUED: 07/28/92

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:

Central Telephone Company of Florida (Centel or Company) filed proposed revisions to its General Customer Services Tariff on May 22, 1992. The purpose of this filing was to expand its offering to the State of Florida for Direct Station Selection/Busy Lamp Field for Meridian business telephone sets.

Direct Station Selection/Busy Lamp Field (DSS/BLF) is a feature for the Meridian Business Set, a telephone instrument used by the Department of General Services (DGS) for several state agencies. The feature provides an attendant the ability to monitor the station status of a directory number with lamps on the telephone console. It also provides the user with direct dialing to a monitored number by using a feature key. The feature was approved by the Commission at the May 21, 1991 Agenda Conference and has been tariffed by Centel since May 28, 1991.

The Company's intent with this tariff proposal is to restructure DSS/BLF to better meet the needs of DGS. Currently, the feature is tariffed and priced for up to ten stations with a single monthly rate of \$275.90 for all stations combined. Centel is proposing here to offer DSS/BLF at a per-station rate and expand its size and availability to accommodate use by multiple state agencies and the resultant accounting requirements of DGS.

The new structure will be as follows: the Tallahassee 904-599 central office will be expanded to accommodate up to 500 stations at a per-station monthly rate of \$9.05. The Company will add the feature for up to 40 lines in its Fort Walton Beach 904-833 central office at \$11.05/month/station.

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Centel's proposed rates for DSS/BLF are substantially lower than the \$27.59/station/month the state is currently paying. The Company's rationale for this is that with the increased demand, the per-unit costs for the feature will be reduced. The Company's proposed prices for the feature are roughly equal to its fully allocated costs to provide it.

We have reviewed the company's costs for this feature and find the methodology appropriate. Although the Company is providing the feature at its cost, we are comfortable with the proposed rates for two reasons. First, providing <u>some</u> features at cost is not an uncommon practice for Centel/DGS contracts, and is routinely approved by this Commission. Second, Centel uses fully allocated cost methodologies for these services, when most companies use incremental costs. Fully allocated costs are almost always higher than incremental costs, so we are comfortable that some contribution is already built in to Centel's rate for this feature.

We believe this filing to be appropriate. The new rates and availability of DSS/BLF will benefit DGS and Centel will recover its costs in providing it. For all of the above reasons, we find it appropriate to approve this tariff expanding Direct Station Selection/Busy Lamp Field offering for the State of Florida by Central Telephone Company of Florida.

Therefore, based on the foregoing, it is

ORDERED by the Florida Public Service Commission that CENTRAL TELEPHONE COMPANY OF FLORIDA's tariff revisions to its General Subscriber Service Tariff are hereby approved to the extent outlined in the body of this order. It is further

ORDERED that if no objection to this tariff is filed pursuant to the requirements set forth below, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 28th day of July, 1992.

TEVE TRIBBLE, Director

Division of Records and Reporting

(SEAL)

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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 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 August 18, 1992.

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 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 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 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.