

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval of) DOCKET NO. 940722-TI
tariff filing to offer a market) ORDER NO. PSC-94-1043-FOF-TI
trial to residential customers) ISSUED: August 24, 1994
in the Southeast Florida LATA)
from 8/8/94 through 12/31/94 by)
AT&T COMMUNICATIONS OF THE)
SOUTHERN STATES, INC. (T-94-350)
FILED 7/06/94))
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
SUSAN F. CLARK
DIANE K. KIESLING

ORDER DENYING TARIFF FILING

BY THE COMMISSION:

On July 6, 1994, AT&T Communications of the Southern States, Inc. (ATT-C) filed a tariff seeking to offer reduced toll rates to residential customers in the Southeast Local Access Transport Area (LATA) who make intraLATA toll calls over the ATT-C network. While 1+ dialed intraLATA traffic is reserved for the local exchange company, in this case BellSouth Telecommunications Inc. d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell), customers may access the ATT-C network by dialing 10288+1, thereby dialing around Southern Bell's network. This tariff filing by ATT-C would be defined as a market trial, and would be used to determine if ATT-C can compete with Southern Bell for intraLATA toll usage, even with different dialing patterns, while charging the same basic intraLATA MTS rates as Southern Bell. The trial would run from August 8, 1994 through December 31, 1994.

ATT-C proposes to reduce its rates to match Southern Bell's intraLATA MTS rates. This will result in an overall reduction of 13% for intraLATA toll calls made over ATT-C's network. The rates apply only to Dial Station calls, which are calls completed without the assistance of an ATT-C operator. Also, ATT-C's Simple Savings, True USA, and True Rewards discount plans would apply in addition to the lower basic MTS rates which are being offered. Customers enrolled in one of these calling plans could receive lower rates

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than they would by using Southern Bell. A maximum savings of 30% off ATT-C's current rates could be reached if a customer is enrolled in an ATT-C discount plan and uses ATT-C's network to complete calls, thereby obtaining the lower rates.

As part of the Commission's goal of universal service, ATT-C is currently required to be the carrier of last resort for interLATA toll and to have statewide uniform average rates. By Order No. 19758, dated August 3, 1988, the Commission identified the goal of "adequate long distance service at uniform statewide average rates..." . Uniform statewide average rates were required to assure that rates in rural areas would not be set higher in order for rates to be lower in areas where multiple providers competed fiercely on the basis of price.

Upon consideration, we find that the ATT-C's tariff filing to offer a market trial test to residential customers of Southern Bell in the Southeast LATA shall be denied. Approval of this tariff would effectively depart from the Commission's policy requiring statewide uniform average rates for ATT-C. Changing that policy requires further consideration before embarking on such a course. Therefore, we further direct our staff to investigate the requirement of uniform statewide average rates and the possible implications of overriding this policy.

Based on the foregoing, it is,

ORDERED by the Florida Public Service Commission that the tariff to offer a market trial test to residential customers of Southern Bell Telephone and Telegraph Company, filed by AT&T Communications of the Southern States, is hereby denied. It is further

ORDERED that this order shall become final and effective unless a protest is filed by a person whose interests are substantially affected in accordance with the requirements set forth below. It is further

ORDERED that if no protest is filed in accordance with the requirements set forth below, this docket shall be closed.

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By ORDER of the Florida Public Service Commission, this 24th
day of August, 1994.

BLANCA S. BAYO, Director
Division of Records and Reporting

by: Kay Ferguson
Chief, Bureau of Records

(S E A L)

WEW

Commissioner Kiesling dissented from the Commission's decision
to deny the tariff.

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, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on September 14, 1994.

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

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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.