BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval of tariff filing to allow N11
Service to be offered in three additional exchanges, provide option of extended Basic Local Calling Areas to three exchanges, and reassign certain Basic Local Calling Areas to different tiers by BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company. (T-95-335 filed 6/6/95)

) DOCKET NO. 950827-TL) ORDER NO. PSC-95-1192-FOF-TL) ISSUED: September 21, 1995

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

ORDER APPROVING PROPOSED N11 TARIFF REVISIONS

BY THE COMMISSION:

On January 30, 1995, the Staff of this Commission held a workshop regarding N11. Among those attending the workshop were BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell or the Company), other local exchange companies, and a number of current and potential N11 customers. The N11 customers made several requests for additions and/or improvements to N11 services.

In response to a request by Staff that it address concerns raised in the workshop, on June 9, 1995, Southern Bell filed a number of proposed revisions to its N11 tariff. First, it proposes to extend N11 service to three additional exchanges: Boca Raton; Delray Beach; and Marathon. Boca Raton and Delray Beach will be assigned to Tier 3, and Marathon to Tier 4.

Second, Southern Bell proposes to provide the options of extending the West Palm Beach Basic Local Calling Area to include Boca Raton and/or Delray Beach, extending the Key Largo Basic Calling Area to include Marathon, and extending the Melbourne Basic

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Local Calling Area to include Titusville. Currently, N11 customers pay the prevailing B-1 or PBX trunk rates for any access lines required for N11 Service. Southern Bell proposes to include these extra exchanges for a flat-rate monthly additional charge. As proposed, the following rates would apply to these extended areas if chosen:

Extended Area

Monthly Rate

| Boca Raton | \$10.60 per line/trunk |
|--------------|------------------------|
| Delray Beach | \$10.15 per line/trunk |
| Marathon | \$ 9.30 per line/trunk |
| Titusville | \$ 9.75 per line/trunk |

These areas were all requested by customers at the workshop, who were concerned that, although these exchanges were not part of the basic local calling area for N11 service, they were part of the market area the N11 customers were trying to cover. These N11 customers had experienced problems with end users from these areas not being able to call the advertised N11 numbers.

Third, the Company proposes to reassign some exchanges to different tiers. Orlando will be reassigned from Tier 1 to Tier 2, Gainesville and Panama City form Tier 2 to Tier 3, and Belle Glade from Tier 3 to Tier 4. Since all of these areas are being reclassified into lower-rated Tiers, all associated charges in these areas will decrease.

Fourth, Southern Bell proposes to add a diskette option to its monthly N11 reports. N11 customers subscribing to this option will be charged a \$450 nonrecurring charge, and \$75 per month for the diskette reports. Existing customers that are already getting reports on paper will not be charged the \$450 set up fee.

Lastly, the Company proposes to change its nonrecurring Service Establishment charges in Tiers 1, 2, and 4, and lower its minimum monthly usage charges in all Tiers. The present and proposed rates are as follows:

Service Establishment Charge

| <u>Tier</u> | Present | Proposed |
|-------------|----------|-----------|
| Tier 1 | \$25,000 | \$30,000 |
| Tier 2 | \$15,000 | \$16,500 |
| Tier 3 | \$ 6,300 | no change |
| Tier 4 | \$ 4,000 | \$ 3,100 |

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Minimum Monthly Usage

| <u>Tier</u> | Present | Proposed |
|-------------|----------|----------|
| Tier 1 | \$ 6,000 | \$ 3,300 |
| Tier 2 | \$ 2,900 | \$ 1,000 |
| Tier 3 | \$ 600 | \$ 500 |
| Tier 4 | \$ 200 | \$ 100 |

The changes to the monthly minimum usage charges will significantly lower the N11 customers' bills. The minimum monthly usage charge is the minimum amount of per-minute usage charges N11 subscribers must generate, or they are billed for the difference up to the minimum monthly amount. Most, if not all, N11 customers are not meeting present minimum monthly usage levels.

We are somewhat concerned with the proposed increases to the Tier 1 and Tier 2 nonrecurring charges. Southern Bell's stated costs for these nonrecurring charges are below its present rates. Therefore, there appears to be no cost justification for increasing them. However, existing N11 customers will not be affected, as they have already paid their nonrecurring charges. Moreover, since Southern Bell is also decreasing its monthly minimum usage charges, even new customers should experience significant savings when compared to the current rates. Accordingly, we approve Southern Bell's proposed revisions to its N11 tariff, effective August 29, 1995.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company's proposed revisions to its N11 tariff are approved, effective August 29, 1995. It is further

ORDERED that if a protest is filed in accordance with the requirements set forth below, the tariff shall remain in effect with any increase in revenues held subject to refund pending resolution of the protest. 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 $\underline{21st}$ day of $\underline{September}$, $\underline{1995}$.

BLANCA S. BAYÓ, Director Division of Records and Reporting

by: Kary Lugar Chief, Bureau of Records

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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 25-22.036(4), Rule Administrative Code, in the form provided 25-22.036(7)(a)(d) and (e), Florida Administrative Code. petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on October 12, 1995.

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.