

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Investigation into the) DOCKET NO. 940235-TL
rates for interconnection of) ORDER NO. PSC-96-0132-FOF-TL
mobile service providers with) ISSUED: January 29, 1996
facilities of local exchange)
companies.)
_____)

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

FINAL ORDER APPROVING TARIFF FILINGS AND
REQUIRING COMPLIANCE TARIFF FILING

AND

NOTICE OF PROPOSED AGENCY ACTION
ORDER REQUIRING TARIFF FILINGS

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed in Section IV. of this Order is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

I. BACKGROUND

In Docket No. 870675-TL, the Commission investigated the interconnection of mobile carriers with facilities of Local Exchange Companies (LECs). That investigation culminated with the issuance of Order No. 20475 on December 20, 1988, in which the Commission approved rates, terms and conditions for interconnection between mobile service providers (MSPs) and LECs. One of the notable decisions reached in that docket was the linkage of mobile interconnection usage rates with access charges through a formula.

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On September 15, 1993, BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell or Company) filed a petition to disassociate usage-based mobile interconnection charges from the formula, which was considered in Docket No. 930915-TL. The Commission recognized at that time that changes in the industry and in switched access charges have the potential to impact the validity of the formula; however, it found that Southern Bell had not fully supported its Petition to disassociate the MSP network usage rates from access charges. Additionally, the Commission found that the formula, which was established with input from many parties, should not be discarded on the basis of a petition from one company.

Accordingly, the Commission denied Southern Bell's Petition and undertook a generic investigation in this docket to determine the appropriate rates, terms and conditions for mobile interconnection, including whether the formula for mobile service provider usage charges was still appropriate.

A hearing was held on March 27 and 28, 1995. The parties that participated were ALLTEL Florida (ALLTEL), GTE Florida Incorporated (GTEFL), BellSouth Telecommunications, Inc, d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell or BellSouth), Central Telephone Company of Florida (Centel), United Telephone Company of Florida (United), FMCA, McCaw, BellSouth Mobility, Contel Cellular of the South, GTE Mobilnet of Tampa, the Florida Public Telecommunications Association (FPTA), and the Office of Public Counsel (OPC).

The Commission's decision on the issues is contained in Order No. PSC-95-1247-FOF-TL, issued October 11, 1995. The salient points of the order are:

1. The formula linking mobile interconnection rates with access charges is eliminated.
2. Usage rates for mobile interconnection are frozen at their current levels, except for Type 2B interconnection.
3. The usage rate for Type 2B interconnection will be \$0.01 per minute.
4. If the parties are able to negotiate appropriate elements of interconnection, including usage rates, they are not precluded from doing so.

5. GTE Florida Incorporated must clarify its mobile interconnection tariff to specify the facilities over which its Star Information Plus (*SIP) is provided.
6. Rates for NXX establishment will continue to be based on direct costs plus a 15% contribution, unless the parties negotiate a different rate.
7. Southern Bell's and GTEFL's proposed tariff changes for their MSP facilities charges are approved, with the exception of Southern Bell's Control Access Register (CAR) charge.
8. Tariffs shall be filed no later than sixty days after the date of the order, with an effective date of December 31, 1995.

On November 13, 1995, McCaw Communications of Florida, Inc. (McCaw), filed an appeal to the Supreme Court of Florida of the Commission's final order in this proceeding, Order No. PSC-95-1247-FOF-TL, issued October 11, 1995.

This Order addresses the tariffs filed pursuant to Order No. PSC-95-1247-FOF-TL. Of the eight LECs which have mobile interconnection tariffs, ALLTEL, Centel, GTEFL, and United timely filed tariffs. Southern Bell filed its tariff late. Gulf Telephone Company (Gulf), Quincy Telephone Company (Quincy), and St. Joseph Telephone & Telegraph Company (St. Joe) did not file tariffs.

II. LEC MOBILE INTERCONNECTION TARIFFS

As noted above, the formula linking mobile interconnection rates with access charges has been eliminated. Absent an agreement by the parties, usage rates for mobile interconnection are frozen at their current levels, except for Type 2B interconnection. The usage rate for Type 2B interconnection will be \$0.01 per minute. However, if the parties were able to negotiate appropriate elements of interconnection, including usage rates, they were not precluded from doing so. Both ALLTEL and GTEFL were able to negotiate usage rates with the mobile carriers.

In Docket No. 870675-TL, Order Number 20475, NXX establishment charges were set based on direct costs plus a 15% contribution to the LECs' joint and common costs. Thus, NXX establishment charges vary from LEC to LEC due to differences in direct costs. We approved continuation of the methodology used earlier to determine

NXX establishment charges. The new charges, pursuant to Order No. PSC-95-1247-FOF-TL, are as follows:

NXX ESTABLISHMENT CHARGES

Southern Bell	\$3,915.00
GTEFL	\$5,861.00
United	\$3,173.00
Centel	\$3,173.00

A. ALLTEL'S TARIFF

ALLTEL filed a tariff including Type 1 and Type 2A usage rates of \$0.01770 per minute for mobile-to-land traffic that terminates within the company's exchange, and \$0.07596 per minute for mobile-to-land traffic that terminates outside the company's exchange via toll or EAS. These rates will also apply for the land-to-mobile option. Except for the Land-to-Mobile Option, the rates are a decrease from the current rates. The Land-to-Mobile Option rate is an increase.

The Type 2B rate is changed to \$0.01000, in compliance with the Commission's order.

ALLTEL USAGE RATES

	DEFAULT RATES	PROPOSED RATES
TYPE 1 AND 2A PEAK	\$0.03500	\$0.01770
OFF-PEAK	\$0.02470	\$0.01770
TYPE 2B	\$0.01000	\$0.01000
LAND/MOBILE OPTION	\$0.07190	\$0.07596

ALLTEL mirrors Southern Bell's tariff for its NXX establishment charge. Accordingly, ALLTEL has changed its rate to \$3,915.

The tariff also includes minor changes to definitions and technical language.

All of the above changes are consistent with our Order.

B. CENTEL'S MOBILE INTERCONNECTION TARIFF

Centel filed a tariff freezing Type 1 and Type 2A usage rates of \$0.0362 per minute on peak, and \$0.0259 per minute off peak. Off peak is defined as usage occurring between the hours of 8:00 PM and 9:00 AM on weekdays and all day on Saturday and Sunday; on-peak rates are for all other time periods. These rates will also apply for the land-to-mobile option. The tariff eliminates the linkage with access charges, thus freezing the rates at current levels. The rates were not negotiated with the parties.

The Type 2B rate is changed to \$0.01000, in compliance with the Commission's order.

Centel has changed its NXX establishment charge to \$3,173, as required by the Order. The tariff also includes minor changes to definitions and technical language.

All of the above changes are consistent with our Order.

C. GTEFL'S MOBILE INTERCONNECTION TARIFF

GTEFL negotiated its usage rates with AT&T Wireless Services, GTE Mobilnet, and Independent Cellular Network. The default rates, which were those to become effective absent an agreement with the parties, and GTEFL's proposed rates are shown below:

GTEFL USAGE RATES

	DEFAULT RATES	PROPOSED RATES
TYPE 1 AND 2A PEAK	\$0.03320	\$0.03140
OFF-PEAK	\$0.02380	\$0.02235
TYPE 2B PEAK	\$0.0100	\$0.01610
OFF-PEAK	\$0.0100	\$0.01146
LAND/MOBILE OPTION	\$0.06700	\$0.06300

In addition to the above rates, GTEFL has filed a change to clarify the facilities over which GTEFL's *SIP offering is provided. *SIP is a directory assistance call completion service.

The NXX establishment charge has been reduced from \$10,000 to \$5,861.

In accordance with our Order, certain changes were made to the facilities charges. Section A20.7, Facilities Charges, has been modified in that the local loop, E&M signaling charges, interoffice channel and channel termination charges are changed to mirror those in section 7.7.2(A) of GTEFL's Facilities for Intrastate Access Tariff. Additionally, the DID Trunk Termination charge and the Voice Grade Service Termination charge have been replaced with an analog Trunk Termination charge that is equivalent to the existing Voice Grade Trunk Termination charge. GTEFL states that overall these changes will reduce rates for voice grade service.

All of the above changes are consistent with our Order.

D. UNITED'S MOBILE INTERCONNECTION TARIFF

United filed a tariff freezing Type 1 and Type 2A usage rates of \$0.0334 per minute on peak, and \$0.0234 per minute off peak. Off peak is defined as usage occurring between the hours of 8:00 PM and 9:00 AM on weekdays and all day on Saturday and Sunday; on-peak rates are for all other time periods. These rates will also apply for the land-to-mobile option. As with Centel, the tariff eliminates the linkage with access charges, thus freezing the rates at current levels. The rates were not negotiated with the parties.

The Type 2B rate is changed to \$0.01000, in compliance with the Commission's order.

United has changed its NXX establishment charge to \$3,173, as required by the Order. The tariff also includes minor changes to definitions and technical language.

All of the above changes are consistent with our Order.

E. SOUTHERN BELL'S MOBILE INTERCONNECTION TARIFF

Order No. PSC-95-1247-FOF-TL requires that the tariffs to be filed reflecting our decisions in that order be filed no later than sixty days after the date of issuance of the Order with an effective date of December 31, 1995.

On December 13, 1995, one copy of Southern Bell's proposed tariff was received, with no legislatively formatted pages or other support. Subsequently, a legislatively formatted copy was received which showed the entire tariff filing as "new." A review of the filing indicated that this was not the case. For example, Southern Bell's current section A35.1.1 Q., located on page 2, was found in the proposed tariff on page 2.1, section A35.1.1 K.6. Yet among the various segments of the tariff were indeed some portions which

were new. Southern Bell indicated that the proposed tariff was a restructuring of the current MSP tariff.

Upon consideration, we find it appropriate to require Southern Bell to refile its tariff. The refiled tariff should contain only such changes as were mandated by Order No. PSC-95-1247-FOF-TL. The tariff shall be accompanied by correctly prepared legislative formatted pages and other documentation such that we will be able to review and process the tariff in a timely manner. Any other changes Southern Bell wishes to make, such as restructuring of the tariff, should be filed separately for consideration by the Commission.

Southern Bell's revised tariff includes a minimum usage charge for the Land-to-Mobile option. Since the Order contemplated that such a charge could be added, Southern Bell may include it at the proposed rate of \$0.0145 per call. This is the same rate proposed by Southern Bell during the course of this docket, and was included as part of the record.

Order No. PSC-95-1247-FOF-TL also approved the following changes to Southern Bell's MSP facilities charges:

1. Add Multifrequency (MF) and Dual Tone Multifrequency (DTMF) address pulsing options on DID trunks, and 800-DID Service on high capacity facilities.
2. Add an offering for MSP lines and reduce the rate for MSP trunks.
3. Reformat and revise Voice Grade Type 1 and Type 2 facilities charges to mirror the Type 2432 local channel rates in the Private Line tariff.
4. Increase the Digital Trunk Termination rate.

We find that Southern Bell shall file a compliance tariff no later than December 26, 1995. Such tariff shall include only those changes specifically required or approved by Order No. PSC-95-1247-FOF-TL. When filed and determined to be consistent with Order No. PSC-95-1247-FOF-TL, the tariffs shall be effective December 31, 1995.

F. EFFECTIVE DATE OF LEC TARIFFS

Pursuant to Order No. PSC-95-1247-FOF-TL, the tariffs implementing our decisions in this docket were to be filed no later

than sixty days after the date of that order, with an effective date of December 31, 1995.

Accordingly, except for the small LEC tariffs discussed below, we find that the effective date of the tariffs approved and required by the Order shall be December 31, 1995.

III. SMALL LEC TARIFFS

During the course of the proceedings in this docket, we became aware that four LECs -- ALLTEL, St. Joe, Gulf, and Quincy -- who have mobile interconnection tariffs, did not follow the requirements of Order No. 20475 with respect to flowing through reductions in switched access to mobile interconnection usage rates.

These companies were asked to file tariff revisions effecting the appropriate rate reductions. Those tariffs became effective in August and September, 1995. However, with the exception of ALLTEL, these companies did not file tariffs in response to Order No. PSC-95-1247-FOF-TL. As a result, the tariffs currently contain language still linking the mobile interconnection usage rates to access charges, and pricing Type 2B interconnection the same as Type 2A interconnection, rather than at the rate of \$.01 per minute. Additionally, the NXX establishment charges must be updated. The small LECs concur in tariffs of other companies for the NXX establishment charge. The rates for NXX establishment are as follows:

SMALL LEC NXX ESTABLISHMENT CHARGES

COMPANY	TARIFF CONCURRED WITH	CURRENT RATE	NEW RATE
ALLTEL	BELL	\$ 4,800	\$3,915
GULF	CENDEL	\$ 1,800	\$3,173
QUINCY	GTEFL	\$10,000	\$5,861
ST. JOE	CENDEL	\$ 1,800	\$3,173

Regarding the NXX establishment charges, it would seem that the rates should be consistent with those companies' tariffs with which the small LECs concur. However, we see no reason to force the small LECs to raise their rates. With respect to Quincy, this company shall reduce its NXX establishment charge to \$5,861, consistent with GTEFL's tariffed rate.

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Gulf, St. Joe, and Quincy were not parties to this docket, and thus may not have been aware of the changes which were to take effect as a result of the Commission's order. Additionally, MSP interconnection is much more limited for these companies than for the other LECs with mobile interconnection. Further, it does not appear that any harm has been done to the MSPs by the failure to timely file the tariff changes by these companies.

Upon consideration, we find that Gulf, St. Joe and Quincy shall each file tariff revisions within 30 days of the date this Section of this Order becomes final. The tariffs shall eliminate the link between mobile interconnection usage rates and access charges, reduce the Type 2B interconnection rate to \$0.01 per minute, and update NXX establishment charges as appropriate. When filed and determined to be correct, the tariffs shall be place in effect.

This docket shall remain open pending resolution of the Administrative Appeal filed by McCaw with the Supreme Court of Florida.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the tariffs filed by ALLTEL, GTEFL, Centel, and United are approved as set forth in the body of this Order. It is further

ORDERED that Southern Bell shall file a compliance tariff no later than December 26, 1995. Such tariff shall include only those changes specifically required or approved by Order No. PSC-95-1247-FOF-TL. When filed and determined to be consistent with Order No. PSC-95-1247-FOF-TL, the tariffs shall be effective as set forth in the body of this Order. It is further

ORDERED that the effective date of the tariffs approved and required by this Order shall be December 31, 1995. It is further

ORDERED that Gulf, St. Joe and Quincy shall file tariff revisions, within 30 days of the date Section III of this Order becomes final, eliminating the link between mobile interconnection usage rates and access charges, reducing the Type 2B interconnection rate to \$0.01 per minute, and updating NXX establishment charges as set forth in the body of this Order. It is further

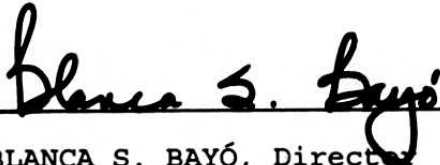
ORDERED that the tariffs filed by Gulf, St. Joe, and Quincy shall be effective as set forth in the body of this Order. It is further

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ORDERED that the provisions of Section III of this Order shall become final and effective unless an appropriate petition is filed in accordance with the requirements of the "Notice of Further Proceedings or Judicial Review" set forth below. It is further

ORDERED that this docket shall remain open pending resolution of the Administrative Appeal filed by McCaw with the Supreme Court of Florida.

By ORDER of the Florida Public Service Commission, this 29th day of January, 1996.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

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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.

Our action in Section III of this Order 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 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on February 19, 1996. In the absence of such a petition, this order shall become effective on the date 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 our action in Section III of 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.

Any party adversely affected by the Commission's final action in Section II of this order may request: (1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or 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 after the issuance 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.