

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: PROPOSED TARIFF FILING BY AT&T) DOCKET NO. 890795-TI
 COMMUNICATIONS OF THE SOUTHERN STATES,)
 INC. TO TEMPORARILY WAIVE NONRECURRING)
 CHARGES FOR TELPAK CUSTOMERS)
 RECONFIGURING THEIR SERVICES TO ACCUNET)
 T1.5 SERVICE (T-89-295, FILED 6/1/89))
 _____) ORDER NO. 21497
) ISSUED: 7-5-89

The following Commissioners participated in the disposition of this matter:

MICHAEL MCK. WILSON, Chairman
 THOMAS M. BEARD
 JOHN T. HERNDON

ORDER APPROVING TARIFF FILING

BY THE COMMISSION:

AccUNET T1.5 Service is a digital, high-capacity, interLATA, private line service. With this service, customers may combine up to 24 voice grade equivalent channels into a single circuit. It was first offered by AT&T Communications of the Southern States, Inc. (ATT-C) in November 1984. Since then, ATT-C has made a number of changes to the structure and rates in an effort to make the service more "competitive." AccUNET was touted to be one of the cost effective alternatives which would be available to TELPAK customers when the Commission approved the phased-out withdrawal of TELPAK in 1987.

The first major change was in May 1986 when ATT-C eliminated mileage bands, reduced rates and added a three-year rate stability plan. The next major change was in May 1988 when the fixed monthly charge was increased, mileage rates were decreased and a five-year rate stability option was added. In September 1988 AT&T lowered its fixed monthly charges and mileage rates and waived the nonrecurring charges for a

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temporary time period. The most recent change allowed the Company to waive, between May 22 and June 30, 1989, the nonrecurring, Primary Service Function (PSF) and Service Order Charges (SOC) and to discount the respective recurring Interoffice Channel fixed, mileage and PSF rates for Accunet T1.5. We approved that filing at our May 16, 1989 agenda.

By Order No. 17873-A, we established the schedule for the phased elimination of ATT-C's Series 5000 TELPAK Service. The TELPAK C and D, 60 and 240 circuits, respectively, are to be eliminated as of July 1, 1989 and TELPAK A and B, 12 and 24 circuits, respectively, are to be eliminated as of January 1, 1990. The proposed tariff change under consideration here would allow ATT-C to waive the Service Order Charge (\$98.52), the Primary Service Function Charge (\$295.57) and the M24 Throughput Option (\$49.22). The waiver would be available for all TELPAK services being reconfigured to Accunet T1.5 Service. The proposed waiver is limited to orders that are made during the period of July 1, 1989 through January 1, 1990.

Upon consideration, we find it appropriate to approve ATT-C's proposed tariff to waive certain nonrecurring charges for those customers changing from TELPAK to Accunet. It is not uncommon for IXC's to offer incentives, such as waivers of the nonrecurring charges, in an effort to allow existing customers to upgrade existing service or transition to new services without penalty. The proposed reduction appears to be another attempt to improve or retain ATT-C's share of the high-capacity 1.544 Mgbts. private line market. It also appears to be consistent with our prior decision to allow ATT-C more flexibility in positioning itself in a competitive market. We note that ATT-C estimates the proposed reductions to produce an annual net revenue loss of \$10,000; however, no cost study was supplied which would substantiate this estimate.

Based on the foregoing, it is

ORDERED that AT&T Communications of the Southern States, Inc.'s proposed changes to its Channel Services Tariff which waive the nonrecurring, Primary Service Function and Service Order Charges and M24 Throughput Option Charges for TELPAK customers reconfiguring their services to Series 5000 TELPAK Service during the period of July 1, 1989 through January 1, 1990, is approved.

ORDERED that this docket is closed.

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By ORDER of the Florida Public Service Commission,
 this 5th day of July, 1989.


 STEVE TRIBBLE, Director
 Division of Records and Reporting

(S E A L)

TH/JSR

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.

Any party adversely affected by the Commission's final action in this matter 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 sewer 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.