

REQUEST TO ESTABLISH DOCKET

Date 4-18-91

1. Division Name/Staff Name CMU / CHEEK

2. OPR CHEEK

3. OCR _____

4. Suggested Docket Title PROPOSED TARIFF FILING TO ADD THE AGGREGATED OPTIONAL CALLING PLAN FILED BY SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY (T-90-309 FILED MAY 23, 1990)

5. Suggested Docket Mailing List (attach separate sheet if necessary)

A. Parties (Provide names of regulated companies; provide names and addresses of nonregulated companies)

SOUTHERN BELL

B. Interested Persons/Companies (Provide names and complete mailing addresses)

NONE

C. This is a generic proceeding and the Interested Persons mailing list should be expanded to include the industries checked below:

- Investor-Owned Electrics
- Electric Cooperatives
- Municipal Electrics
- Gas Utilities
- Sewer Utilities

- Water Utilities
- Local Exchange Telephone Cos.
- Interexchange Telephone Cos.
- Coin-Operated Telephone Cos.
- Shared Tenant Telephone Cos.

6. Check One:

- Documentation attached.
- Documentation will be provided with recommendation.



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: April 18, 1991
TO: Chairman Beard
FROM: Division of Communications (Creek, Butler) *MC* *JB*
Division of Legal Services (Hatch) *SH* *RB*
RE: Request to File Late Recommendation

There are two dockets (used to be one, but we split) which are scheduled for the May 7 agenda conference which we would like to file late, but put on the April 30 agenda. Both dockets deal with local exchange companies (LECs) covering access charges on discount toll services. If you recall, Southern Bell earlier filed, and you approved, two volume discount plans called Saver Service. They were oriented at medium volume customers. Bell had also filed a plan directed at large volume customers, called the Aggregate Plan. Because of the surrounding controversy over what covering access charges meant--the Aggregate Plan was not presented at that time, pending the staff holding a workshop with the LECs and IXC's to work out the "covering access" issues. The two dockets here deal with Southern Bell's Aggregate Plan (No. 910513-TL) and the definition for covering access and relevant costs necessary for setting floor prices for LEC toll (No. 900708-TL). In the meanwhile, the Division of General Services (DGS) has put out a request for bid on the overflow intraLATA toll part of their SUNCOM service. The due date for the bid is May 7. Southern Bell would like to make a bid using their Aggregate Plan, but needs tariff approval on that plan in order to bid. In order for the Commission to make a decision on Southern Bell's Aggregate Plan, it needs to have made a decision on the criteria for covering access charges. We would like to put these items on the April 30 agenda, but because of the change in schedule, and the length and complexity of the recommendation, are unable to file the complete recommendation on the usual due date. Attached is the issue/recommendation summary for use in the agenda. We would like permission to file the recommendation itself late, on Monday, April 22. Thank you for your consideration.

DOCUMENT NUMBER-DATE.

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PSC-RECORDS/REPORTING

FLORIDA PUBLIC SERVICE COMMISSION
Fletcher Building
101 East Gaines Street
Tallahassee, Florida 32399-0850

M E M O R A N D U M

April 18, 1991

TO : DIRECTOR, DIVISION OF RECORDS AND REPORTING

FROM : DIVISION OF COMMUNICATIONS [CHECK] *HC*
DIVISION OF LEGAL SERVICES [HATCH] *EW*
Te

RE : DOCKET NO.: 900708-TL INVESTIGATION OF METHODOLOGY TO
ACCOUNT FOR ACCESS CHARGES IN LOCAL EXCHANGE COMPANY TOLL
PRICING AND OTHER RELEVANT COSTS AND DOCKET NO.: 910513-
TL - SOUTHERN BELL TELEPHONE AND TELEGRAPHS PROPOSED
TARIFF FILING TO ADD THE AGGREGATED OPTIONAL CALLING PLAN
(T-90-309 FILED MAY 23, 1990).

AGENDA: APRIL 30, 1991 - CONTROVERSIAL - PROPOSED AGENCY ACTION -
PARTIES MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission adopt the four guidelines outlined below for calculating local exchange carrier (LEC) access charges as a floor for MTS prices?

1. Toll revenues should cover access charges for the business and residential market segments individually.
2. Access charges should be calculated with originating access charges applied to non-conversation time.
3. Access charges should reflect the time-of-day distribution of the market under consideration.
4. The Busy Hour Minute of Capacity (BHMOC) should be the average BHMOC/Minute-of-use rate realized using the most recent monthly data available.

RECOMMENDATION: Yes. The Commission should adopt the guidelines for calculating local exchange carrier access charges as listed above. The effective date should be May 22, 1991. These guidelines will become final if no hearing is requested by 21 days from the date of the order in this docket.

ISSUE 2: Should the Commission adopt Guideline 5 which would require LECs to impute the access rate associated with the actual network configuration?

RECOMMENDATION: No. The Commission should not adopt Guideline 5 which would require LECs to impute access rates associated with their actual network configuration. The commission should modify Guideline 5 and require the LECs to impute the access rate associated with the network configuration which is dependent upon the targeted market segment. This guideline will become final if no hearing is requested by 21 days from the date of the order in this docket.

ISSUE 3: Should the Commission adopt Guideline 6 which requires the costs of billing and collection, advertising, marketing, and promotion of the product be included in setting the toll rates?

RECOMMENDATION: No. The Commission should not adopt Guideline 6. However, the incremental costs of applicable billing and collection should be included in setting toll rates. The cost of advertising, marketing, and promotion of the product should not be included in setting the toll rates. This decision will become final if no hearing is requested by 21 days from the date of the order in this docket.

ISSUE 4: Should the Commission approve Southern Bell's proposed tariff filing to introduce the Aggregated Optional Calling Plan?

RECOMMENDATION: No. The Commission should deny Southern Bell's proposed tariff filing to introduce the Aggregated Option Calling Plan (T-90-309 filed May 23, 1990). The Company should refile its tariff to limit the discount toll service so that it is only available on lines which can only be used for those services, not any other, such as local.

ISSUE 5: Should the docket be closed?

RECOMMENDATION: No. The docket should remain open until the effective date of the proposed agency action (PAA) order, assuming no protest is received.

900708.MHC