BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval of tariff filing to amend shared tenant services regulations by BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company (T-95-704 filed 11/01/95)

) DOCKET NO. 951511-TL) ORDER NO. PSC-96-0021-FOF-TL) ISSUED: January 8, 1996

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 BELLSOUTH'S SHARED TENANT SERVICES TARIFF

AND

NOTICE OF PROPOSED AGENCY ACTION ORDER AMENDING SHARED TENANT SERVICES REGULATIONS

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed in Section III 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

Shared Tenant Service (STS) was first introduced in July of 1987. See Order No. 17111, issued January 15, 1987. BellSouth Telecommunications, Inc., d/b/a Southern Bell Telephone and Telegraph Company's (Southern Bell or the Company) current tariff authorizes the sharing or resale of a common group of exchange service access lines through a common switching or billing arrangement to commercial tenants in a single building. The Commission placed other restrictions and conditions under which shared tenant services could be offered including: 1) STS service

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limited to a single building, 2) PBXs serving multi-buildings must be partitioned, 3) STS interconnection priced on a measured per minute-of-use basis, 4) each location limited to two-hundred-fifty (250) trunks, 5) certification on a location-by-location basis, 6) no intercommunication between unaffiliated entities, and 7) STS providers prohibited from bypassing LEC facilities.

Section 364.339, Florida Statutes, was substantially revised by Chapter 95-403, Laws of Florida. On November 1, 1995, Southern Bell filed a tariff to conform its STS tariff consistent with the revisions to Section 364.339.

II. SOUTHERN BELL'S STS TARIFF

The new provisions of Section 364.339 expand the scope and nature of the provision of STS. STS providers may now provide service to residential tenants and to more than a single building. In addition, Certification, which previously has been by location, has been expanded to a statewide basis.

Southern Bell's tariff filing proposes to amend Section A23, Interconnection of Local Exchange Services to Shared Tenant Services. Southern Bell proposes an effective date of January 1, 1996. The effective date coincides with the effective date of the changes in Chapter 364.339. The changes in the STS statute, as well as other changes in Chapter 364 allowing and encouraging the development of competition in the local market area have spurred the proposed changes. Southern Bell proposes the following:

- Elimination of term "commercial" and single building;
- Elimination of the 250 trunk limitation;
- Elimination of prohibition for establishing private or dedicated facilities;
- Elimination of ban on intercom calling between unaffiliated entities;
- Elimination of unrestricted access and provision of access to all locally available interexchange carriers via 800, 10XXX or 950;
- 6. Inclusion of STS clients' access to Company operators "zero" (0) for line verification purposes;
- Elimination of definition for "Fully Partitioned";
- Updated definition for STS providers to reflect 1995 statutory changes;
- Elimination of definitions for "single building" and "unaffiliated entity";
- Addition of definition of "Tenant" Any person entitled to occupy a premises under a rental or lease agreement;

- Addition of alphabetical directory listings for both residential and business clients;
- 12. Elimination of outdated grandfather language in the administrative charge provision; and
- 13. Addition of "per service location" establishment charge in lieu of "per building" charge.

Each of the above changes are in response to either statutory changes or to anticompetitive concerns, or both.

Southern Bell states that it is unable to determine the future demand for this service; therefore, no estimate of revenue impact is included. The Company anticipates that with an increase in the provision of STS there will be a decrease in individually served residential lines and business lines and trunks.

Upon consideration, we find that Southern Bell's proposed changes in its STS interconnection tariff provisions are in compliance with the statutory changes in Chapter 364 and specifically 364.339. The changes to 364.339 expand STS to residential tenants and eliminate the single building limitation. The other changes, with the exception of several clarifying changes, are necessary to avoid any anti-competitive tariff provisions. Accordingly, we find that Southern Bell's proposed tariff changes should be approved as filed.

III. PROVISION OF STS BY OTHER LECS

Southern Bell is the first LEC to conform its STS tariff to the changes made in Section 364.339. The twelve other local exchange companies (LECs) have identical or similar shared tenant service (STS) tariff provisions. In order for each LEC to conform to the new statutory provisions for STS, each, other than Southern Bell, is hereby directed to file revisions to their respective STS tariffs consistent with the changes approved above for Southern Bell. The changes filed in response to our directive herein shall include only those changes included in Southern Bell's tariff discussed above. We note that there will be no change in STS rates, but only in the application of the rates. The changes are required to be in compliance with the statutory changes in Chapter 364, specifically Chapter 364.339, Florida Statutes.

Tariff revisions should be filed no later than 21 days from the issuance date of this Order. Each LEC's tariff changes shall be effective on the date the Order becomes final as to that LEC. We note that a protest by one LEC of the requirements herein shall not prevent the provisions of this Order from becoming final as to

those LEC's that do not protest our decision herein. Any protest of the provisions of this section of the Order by other than a LEC shall be specific as to which LEC the protest is directed. This Order will be final as to any LEC for which no protest is timely filed.

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 tariff to conform its shared tenant services tariff to Section 364.339, Florida Statutes, as amended by Chapter 95-403, Laws of Florida, is approved as set forth in the body of this Order. It is further

ORDERED that Southern Bell's tariff shall be effective January 1, 1996, as set forth in the body of this Order. It is further

ORDERED that if a protest regarding Southern Bell's tariff is filed in accordance with the requirements set forth below, the tariff shall remain in effect with any revenues held subject to refund pending the out come of the protest. It is further

ORDERED that each local exchange company other than Southern Bell shall file tariffs to modify the provisions of their respective shared tenant services tariffs consistent with the requirements set forth in the body of this Order. It is further

ORDERED that the tariffs filed in accordance with Section III of this Order shall be effective on the date this Order becomes final as to each respective LEC. It is further

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 "Notice of Further Proceedings or Judicial Review" as set forth below. It is further.

ORDERED that if no petition is timely filed with respect to a specific LEC, this Order shall become final as to that LEC. A timely protest of any LEC tariff shall not prevent the provisions of Section III from becoming final as to those LECs not subject to a petition. It is further

ORDERED that if no protest if filed as to either Section II or Section III of this Order, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 8th day of January, 1996.

BLANCA S. BAYÓ, Director Division of Records and Reporting

by: Chief, Breau 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 in Section II of this order regarding the 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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on January 29, 1996.

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

The action proposed 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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on <u>January 29</u>, 1996.

In the absence of such a petition, Section III of this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket regarding either Section II or III of this Order 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 Section II or Section III of this Order becomes final on the date described above, any party adversely affected may request judicial review of the appropriate section 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.