BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Comprehensive review of) DOCKET NO. 920260-TL
the revenue requirements and) ORDER NO. PSC-96-0123-FOF-TL
rate stabilization plan of) ISSUED: January 23, 1996
Southern Bell Telephone and)
Telegraph Company.)
)

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 REQUEST TO STAGGER DIALING PATTERN CONVERSION FOR EXTENDED CALLING SERVICE (ECS) ROUTES

BY THE COMMISSION:

This docket was initiated pursuant to Order No. 25552 to conduct a full revenue requirements analysis and to evaluate the Rate Stabilization Plan under which BellSouth Telecommunications, Inc., d/b/a Southern Bell Telephone and Telegraph Company (BellSouth, Southern Bell or the Company) had been operating since 1988. Hearings were rescheduled several times in an effort to address all of the concerns and issues that arose with the five consolidated proceedings over the ensuing two and a half years.

On January 5, 1994, a <u>Stipulation and Agreement Between Office of Public Counsel (OPC) and Southern Bell</u> was submitted. On January 12, 1994, Southern Bell filed an <u>Implementation Agreement for Portions of the Unspecified Rate Reductions in Stipulation and Agreement Between OPC and Southern Bell (hereinafter referred to as the "Stipulation and Implementation Agreement"). Other parties filed motions in support of the Stipulation and Implementation Agreement. By Order No. PSC-94-0172-FOF-TL, we approved the terms of the Stipulation and Implementation Agreement. The terms require, among other things, that rate reductions be made to certain Southern Bell services. An unspecified rate reduction of \$25 million was scheduled for October 1, 1995.</u>

According to the terms of the Stipulation and Implementation Agreement, approximately four months before the scheduled effective

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dates of the unspecified rate reductions, Southern Bell will file its proposals for the required revenue reductions. Interested parties may also file proposals at that time. Parties who have already received or are scheduled to receive rate reductions for the services to which they subscribe, are generally precluded from taking positions that would benefit themselves.

On May 15, 1995, Southern Bell filed a tariff proposal to introduce Expanded Calling Service (ECS) to satisfy the unspecified 1995 \$25 million revenue reduction in accordance with the Stipulation. The Communications Workers of America (CWA) and McCaw Cellular, Inc. also filed proposals.

A hearing was held on July 31, 1995 to consider how best to implement the \$25 million revenue reduction. By Order No. PSC-95-1391-FOF-TL issued November 8, 1995 we approved Southern Bell's Extended Calling Service plan detailed in its May 15, 1995 filing, as supplemented by the additional 36 one-way routes, to become effective January 1, 1996.

On November 15, 1995, BellSouth filed a Motion for Modification of Order No. PSC-95-1391-FOF-TL. The motion sought to advance the implementation date for the approved ECS routes from January 1, 1996, to December 18, 1995, and to stagger the dialing conversion from 1+ ten-digits to either 7-digit (intra NPA) or 10-digits (inter NPA). The motion states that "...(t)he order's implementation should be modified because it will constitute a hardship for BellSouth's customers, as well as BellSouth to meet the January 1, 1996 implementation date."

By Order No. PSC-96-0020-FOF-TL, the implementation date for the ECS plan was changed from December 18, 1995, to January 15, 1996. This Order addresses Southern Bell's request concerning the dialing conversion.

Because of the large number of customer lines on the 284 ECS one-way routes, it will be physically impossible for Southern Bell to convert all the lines at one time, from the current 1+ 10-digit dialing to either 7-digit dialing on intra NPA calling or 10-digit dialing on inter NPA calling. The Company has proposed an approximately three-month window, until April 15, 1996, to accomplish this cutover. Beginning January 15, 1996 all ECS calls will be billed at the new charges, i.e., \$.25 per message for residences and \$.10 for the first minute and \$.06 per additional minute for businesses. During the window period, converted NXXs will be dialed using 7-digits (intra NPA) and 10-digits (inter NPA). For NXXs which are not converted, the caller will be advised

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by a recording to continue 1+ 10-digit dialing, and the call will be charged at the new rates.

We believe this permissive window will allow sufficient time for the conversions and for customers to adjust to the new dialing plans. Once all customer lines are converted to 7-digit or 10-digit dialing and the window closes, it will be mandatory that intra NPA calls be dialed on a 7-digit basis and inter NPA calls on a 10-digit basis. At that time, customers attempting 1+ 10-digit dialing will be advised by recording that the call can be completed within an area code (NPA) by 7-digit dialing or between area codes by 10-digit dialing. This same type situation, having a window to complete the dialing conversion, worked successfully with the implementation of the Broward/Dade ECS routes (between the Ft. Lauderdale and the North Dade and Miami exchanges, and between the Hollywood and Miami exchanges).

Based on the foregoing, we find that BellSouth's request to stagger the conversion of the dialing pattern from 1+ 10-digits to 7-digits on intra NPA routes and 10-digits on inter NPA routes, should be and is hereby approved.

The Company shall issue bill stuffers and media releases explaining the conversion, prior to the January 15, 1996, effective date, so customers in the affected areas can be aware of the dialing arrangements during the three-month period.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that BellSouth's request to stagger the conversion of the dialing pattern from 1+ 10-digits to 7-digits on intra NPA routes and 10-digits on inter NPA routes, is approved. It is further

ORDERED that BellSouth shall issue bill stuffers and media releases explaining the conversion, prior to the January 15, 1996, effective date, so customers in the affected areas can be aware of the dialing arrangements during the three-month period.

ORDERED that this docket shall remain open to continue to implement the agreement approved by Order No. PSC-94-0172-FOF-TL.

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By ORDER of the Florida Public Service Commission, this 23rd day of January, 1996.

BLANCA S. BAYÓ, Director Division of Records and Reporting

by: Kay Hym Chief, Byreau 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.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.038(2), Florida Administrative Code, if issued by a Prehearing Officer; (2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or (3) 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. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.