

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Tariff revision of SOUTHERN	)	DOCKET NO. 880649-TL
BELL TELEPHONE AND TELEGRAPH COMPANY	)	
to establish provisions for billing	)	ORDER NO. 21052
validation service	)	ISSUED: 4-14-89

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman  
 THOMAS M. BEARD  
 BETTY EASLEY  
 GERALD L. GUNTER  
 JOHN T. HERNDON

ORDER APPROVING TARIFF  
WITH MODIFICATIONS

BY THE COMMISSION:

On April 5, 1988, Southern Bell Telephone and Telegraph Company (Southern Bell) filed revisions to its Access Service Tariff pursuant to Section 364.05, Florida Statutes. Southern Bell stated that the purpose of its tariff filing was to establish provisions for Billing Validation Service (BVS) which would provide a means of determining the validity of a Calling Card number for use in billing particular types of telephone calls. More specifically, the tariff would provide a means for the validation of Southern Bell Calling Cards when used by customers of interexchange carriers (IXCs) other than AT&T Communications (ATT-C). In its Executive Summary the company stated that BVS would enable an IXC whose customers use Southern Bell's Calling Card to verify that the card number is valid. In addition to Calling Card validation, this service would also encompass billed number screening, which includes coin and toll billing exception information. Under Southern Bell's tariff proposal BVS would be made available to a subscribing IXC, or its designated agent, on a per query basis. The company indicated that BVS would offer an interim method of providing Calling Card validation capability to IXCs through the use of a data base service provided under contract to Southern Bell by National Data Corporation (NDC). However, the company stated that this service would eventually be replaced with BellSouth's Line Information Data Base (LIDB) when that data base is made available, sometime in 1991.

By Order No. 19581, issued June 28, 1988, we suspended the tariff to allow time for comments from IXCs and further Commission study. One issue we believed warranted further study was the feasibility of requiring Southern Bell to provide the billing validation data directly to IXCs to create their own data bases. Accordingly, Southern Bell was directed to present compelling reasons why it should not be required to allow IXCs, as well as other entities, such as, dial-it-vendors, alternative operator services (AOS) providers and nonLEC pay telephone providers (PATs) to receive this data directly.

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On July 28, 1988, Southern Bell filed its comments pursuant to our Order. In its comments Southern Bell took exception to our suggestion that the data be provided directly to the IXCs rather than through access to its BVS, arguing that there was no Modification of Final Judgement (MFJ) requirement that the company provide the validation data in the same manner to all IXCs as it does to ATT-C pursuant to the Plan of Reorganization and the Shared Network Facilities Agreements developed after divestiture. Additionally, Southern Bell argued against providing the verification data directly to IXCs and other entities in order to enable them to build their own data bases. In opposing this idea the company argued that providing the data directly to numerous entities would make protection of the data much more difficult and that there would be no assurance that the numerous data bases would be updated in a timely fashion. We have considered Southern Bell's arguments but have rejected them for the reasons set forth below.

The arguments Southern Bell presented in its July comments preceded an order issued by U. S. District Judge Harold Greene in United States v. Western Electric Company (Civil Action No. 82-0192). Judge Greene's order was issued in response to a motion and recommended order filed by the Department of Justice which (DOJ) asked Judge Greene to require the Bell Operating Companies (BOCs) to terminate certain calling card practices that the DOJ argued discriminated in favor of ATT-C in violation of the MFJ. In its recommended order DOJ asked Judge Greene to require the BOCs to make validation information available to IXCs and AOS providers, or their authorized representatives, on price, terms and conditions no less favorable than such information is provided to ATT-C. The DOJ's motion and recommended order were filed in January, 1988, and asked that Judge Greene take action by April, 1988. However, Judge Greene's Order was not issued until October 14, 1988, and by its terms moots some of the arguments Southern Bell presented in opposition to providing the validation data directly to entities requesting it. In the Order, Judge Greene directed the BOCs to make available to all IXCs requesting it the same validation data for its calling cards that the company provides to ATT-C, on the same prices, terms and conditions as are extended to ATT-C. Additionally, Judge Greene required that the data be directly provided to the companies for establishing their own data bases.

Southern Bell began providing BVS on an interstate basis in mid 1988, which was about the same time it filed its tariff proposing to offer the service on an intrastate basis. Under its tariff proposal Southern Bell proposes to charge \$.09 per query, which is identical to what it charges for the service at the interstate level on a contractual basis. It is Southern Bell's position that this rate is at cost, and as such fulfills the requirement imposed by Judge Greene to offer this service under the same prices, terms and conditions it currently provides this service to ATT-C. While we are not completely satisfied that this rate is appropriate on an intrastate basis, we will allow the rate to be set at cost as an interim measure. We will allow this interim rate until after BellSouth

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has its Line Information Data Base (LIDB) system in operation. Once LIDB is on line, Southern Bell will no longer require the services of a third party vendor and we anticipate that at that time the cost for this service should decrease. Accordingly, upon implementation of LIDB Southern Bell will be required to demonstrate why the \$0.09 per query rate should not be reduced. As a part of its rationale Southern Bell shall provide, at a minimum, information which indicates the number of alternative providers of BVS and the actual cost per message to Southern Bell to provide the service to its subscribers.

Additionally, we find it reasonable to require Southern Bell to offer the validation and verification data directly to entities which want to create their own data bases. Our decision is based upon similiar action taken by Judge Green and our belief that Southern Bell failed to present a compelling reason why we should not require this on an intrastate basis. Therefore, we hereby direct the company to file a tariff to address this service offering within sixty (60) days of the date of this Order. We note that this time frame supersedes that established in Docket No. 871394-TP.

Upon further consideration, we find no compelling rationale to limit the availability of the data to only interexchange carriers, which under our definition includes alternative operator services providers. We believe that the benefits to be derived from BVS and the availability of the data should also be provided as an option to private pay telephone providers. Therefore, Southern Bell shall be required to make this service available to PATS providers, as well as interexchange carriers. Southern Bell shall revise its tariff accordingly. We note that at the time of this Order Southern Bell has already modified its tariff and it has become effective.

Finally, as a result of our staff's investigation, we determined that Southern Bell would be required to modify its original tariff filing in certain instances. For example, we believe that it is reasonable for a subscriber of BVS to validate every Calling Card call. However, the validation of any other type calls will be at the discretion of the subscriber. Accordingly, Southern Bell has modified its tariff to reflect this modification.

Therefore, based on the foregoing, it is

ORDERED by the Florida Public Service Commission that we hereby approve Southern Bell Telephone and Telegraph Company's revisions to its Access Service Tariff that established provisions for Billing Validation Service to the extent stated in the body of this Order. It is further

ORDERED that Southern Bell Telephone and Telegraph Company shall file a tariff to address the offering of data directly as described herein within the prescribed time frame. It is further

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ORDERED that this docket shall remain open.

By ORDER of the Florida Public Service Commission,  
this 14th day of APRIL, 1989.

  
STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

DWS

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.