

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed tariff filing to)	DOCKET NO. 900221-TL
establish and unbundle billing and)	
collection services on a company-)	ORDER NO. 23479
specific basis for GTE FLORIDA)	
INCORPORATED)	ISSUED: 9-13-90
)	

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD
 BETTY EASLEY
 GERALD L. GUNTER
 FRANK S. MESSERSMITH

ORDER APPROVING BILLING AND COLLECTION TARIFF

BY THE COMMISSION:

By Order No. 21688, we authorized the establishment of company-specific access tariffs. On March 19, 1990, GTE Florida Inc. (GTEFL) filed a tariff proposing to establish and unbundle billing and collection services. This filing is proposed as the company's first section (E8) of its own specific access tariff. GTEFL has historically concurred in Southern Bell's access tariff in its entirety. The company is now pursuing the development of its own access tariff, and plans to submit all other tariff sections following the conclusion of Docket 890505-TL, Southern Bell's Private Line / Special Access Restructure and Repricing.

GTEFL has provided information relevant for comparing bundled and unbundled rates. This material reveals that the bundled rates are equivalent to the sum of the unbundled rates for the services featured in the proposed tariff. This eliminates any possibility of inappropriate price discrimination, wherein one group of customers (e.g. large IXCs) would receive a lower price than another group of customers (e.g. AOSs) for the same service based upon the level of bundling of the rate elements.

Concerns were raised specifically about the rate for Bundled Bill Processing and Collection With Inquiry. This service is required by customers who handle casual caller traffic (AOS companies), and this group of customers seem to be the group most likely to be negatively affected by the proposed tariff filing. Inquiry service is essential for such companies. Since no unbundled rate element exists for inquiry service, comparing bundled and unbundled rates for Bill Processing and Collection With Inquiry is not possible. Another way to develop an equitable benchmark rate for the rate element is to add the cost of inquiry to the rate established for Bundled Bill Processing and Collection

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- Without Inquiry. GTEFL reports that the cost of inquiry, according to some sample studies performed by the Company, ranges from \$.025 to \$.10 per message. Adding the minimum cost for inquiry (\$.025) to the rate for Bundled Bill Processing and Collection - Without Inquiry (\$.0667) yields a reasonable rate for Bundled Bill Processing and Collection - With Inquiry (\$.0917). Since the Company proposes a lesser rate of \$.0888 for Bundled Bill Processing and Collection - With Inquiry, the Commission concludes that customers of this service, or AOS companies, are not being disadvantaged relative to the large IXC customers for billing and collection services. The development of this rate limits any undue price discrimination between the bundled and unbundled rates. Additional Company data reveals the percentage increase in revenue collected from ATT-C for billing and collection services is 119.67%, whereas the revenue increase associated with companies handling casual caller traffic (AOSs, smaller IXCs) is 43.51%.

While the customers of GTEFL billing and collection services are all national companies in their corporate form, some companies such as ATC (formerly Telus) are, for accounting purposes, Florida-based carriers. This means that, while some companies such as ATT-C are national carriers and anticipate paying less in the aggregate for billing and collection to GTEFL on a national basis as a result of the proposed rates in this tariff filing, some companies may be worse off since they are not actually national from an accounting viewpoint. Such companies also face increasing interstate rates for GTEFL billing and collection services. However, customers of GTEFL billing and collection services were mailed a copy of the proposed tariff filing on July 11, 1990 and none of the affected companies responded to the Commission in opposition to the proposed filing.

Thus, the Commission concludes that the proposed tariff filing includes a rate structure which does not invite undue price discrimination, nor negatively affect any group of customers of billing and collection to any significant degree. Accordingly, it is appropriate, consistent with Order No. 21688, for the Commission to approve the proposed tariff filing by GTE Florida Inc. to establish and unbundle billing and collection services on a company-specific basis, to become effective September 1, 1990.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the proposed tariff filing by GTE Florida Incorporated to establish and

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unbundle billing and collection services on a company-specific basis. It is further

ORDERED that this docket is closed.

By ORDER of the Florida Public Service Commission, this 13th
day of SEPTEMBER, 1990.



STEVE TRIBBLE, Director
Division of Records and Reporting

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