

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Tariff filing by GTE FLORIDA, INC.)	DOCKET NO. 880643-TL
to introduce toll optional calling service)	
)
In re: Proposed tariff filing to modify)	DOCKET NO. 900560-TL
Suncoast Preferred rate structure by GTE)	
FLORIDA INCORPORATED (T-90-254 filed)	ORDER NO. 23490
6/14/90))	
) ISSUED: 9-17-90

The following Commissioners participated in the disposition of this matter:

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

ORDER APPROVING EXTENSION OF EXPERIMENTAL TARIFF AND
 SUSPENDING PERMANENT TARIFF FILING

BY THE COMMISSION:

BACKGROUND

By Order No. 19517, issued June 20, 1988, we approved a tariff filing by GTE Florida Incorporated (GTEFL or the Company) to introduce its Suncoast Preferred ServiceSM (SPS) on an experimental basis. SPS is an optional toll discount calling plan for customer-dialed intraLATA toll calls whereby a subscriber pays a minimum flat monthly rate to receive an additional discount over and above the time-of-day discounts normally applied under the Company's tariff. As presently offered, SPS has two options: subscribers can pay a monthly flat rate of \$1.75 per access line and receive a twenty percent (20%) discount on intraLATA toll calls; or, subscribers can pay a monthly flat rate of \$12.00 per account and receive a ten, twenty, or twenty-five percent (10%, 20%, or 25%) discount on intraLATA toll calls, depending upon call volume. GTEFL's initial offering of SPS was on a six-month experimental market test basis for those customers served by the Clearwater-Countryside, Lakeland-Main, New Port Richey-Main, and Tampa-East central office areas.

Telus Communications, Inc. (Telus) (formerly Teltec Saving Communications Company (Teltec) and now Advanced Telecommunications, Inc. (ATC)) appeared at the Agenda Conference at which we considered the SPS tariff and requested that the tariff be suspended and set for hearing. We considered Teltec's argument and

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GTEFL's response and decided it was appropriate to approve GTEFL's experimental tariff and deny Teltec's request for suspension of and a hearing on the tariff. See Order No. 19517. Subsequently, Telus filed a Petition for Reconsideration of Order No. 19517 and Alternative Request for Hearing. GTEFL timely responded to Telus' pleading. Telus then filed an Amended Motion for Reconsideration of Order No. 19517; Complaint and Petition to Change Rates of GTE Florida, Inc.; and Request for Hearing. GTEFL then filed a Motion to Strike, Motion to Dismiss and Response to Telus Communications, Inc.'s Amended Pleading. GTEFL also requested that the tariff be extended beyond October 31, 1988, until January 31, 1989.

The aforementioned pleadings were disposed of by Order No. 20325, issued November 17, 1988, as follows: Telus's Motion for Reconsideration of Order No. 19517 was denied; Telus's Motion to Amend its Complaint and Petition was granted; GTEFL's Motion to dismiss Telus' amended Complaint was denied and GTEFL was given ten days to file an answer to Telus' amended complaint. Further, GTEFL's experimental SPS was extended until January 31, 1989; required reports were ordered to be filed; and, the docket was held open. Subsequently, GTEFL requested and was granted an additional ninety day extension until May 1, 1989, by Order No. 20835, issued March 1, 1989.

In approving this experimental toll plan, we were cognizant of the issue of pricing intraLATA MTS (Message Toll Service) calls in the first two mileage bands below current access charge levels. The SPS discounts further lower the charges below access charges. The problem had been addressed in Docket No. 830489-TI in connection with AT&T Communications of the Southern States, Inc. (ATT-C) where we determined that as long as access charges were recovered in the aggregate from all toll services, we would not require that each time, mileage, or service category be priced to fully recover access charges. The data presented by GTEFL showed that its MTS revenues covered access charges in the aggregate.

We note that, in approving revisions to Southern Bell Telephone and Telegraph Company's MTS rates in our decision in Docket No. 880069-TL (the Southern Bell Docket), we did not order any reductions in the first mileage band (0-10) and ordered a very small reduction in the second band (11-22). Our decision was to avoid further reducing MTS rates below access charges.

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With the exception of the mileage band 1-10, where no reductions were ordered in the Southern Bell Docket, the rates for the mileage bands in GTEFL's SPS tariff are equal to or higher than Southern Bell's MTS rates. In addition, only .34% of GTEFL's intraLATA toll traffic is in the first mileage block. Further, effective January 22, 1989, Telus, the only intervenor in this docket, filed a tariff to restructure its comparable rate schedule, Super Saver Service, which both increased and reduced its toll rates that were in effect when it initially protested GTEFL's SPS filing. The restructure eliminated the fixed discount amounts and provided for time-of-day discounts instead. Telus' restructured rates are both higher and lower than GTEFL's SPS rates.

FILING FOR PERMANENT TARIFF

By Order No. 21545, issued July 14, 1989, we denied a tariff filed by GTEFL to modify the discounts under Plan 2, to expand the scope of SPS to company-wide, and to offer SPS on a permanent basis. At that time, we stated that it would be inappropriate to expand the geographical scope of SPS and to make it permanent while it was subject to a pending complaint. Additionally, we believed that suspension of the tariff would be inappropriate because the eight-month suspension period would expire before the complaint could be resolved. At the same time, we believed that GTEFL should be permitted to make revisions to the existing tariff offering making the discount change under Plan 2. We held such action to be consistent with the experimental nature of the tariff. Additionally, we found it appropriate to continue the experimental tariff until April 1, 1990, or until a resolution of the Telus complaint in Docket No. 880812-TP is reached, whichever came first.

On June 14, 1990, GTEFL filed a tariff (T-90-254; Docket No. 900560-TL) proposing to add a third option to SPS, to offer the Service company-wide, and to eliminate the experimental status of SPS. On July 24, 1990, Telus filed a Motion to Suspend or Deny Implementation of T-90-254. GTEFL filed its Response on August 1, 1990. For the reasons stated in Order No. 21545, we still believe it is inappropriate to expand the scope of SPS, to add a new option, or to make it a permanent offering at this time. Accordingly, we find it appropriate to suspend GTEFL's proposed tariff until the final order is issued in Docket No. 880812-TP and ATC's (Telus') complaint has been addressed.

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EXTENSION OF EXPERIMENT

On July 25, 1990, GTEFL filed a Motion for Extension of Time requesting that its SPS experimental offering be extended until the permanent tariff is approved or until the final order is issued in Docket No. 880812-TL. Upon consideration, we find it appropriate to continue the experimental tariff until a resolution of the ATC complaint is reached and a final order is issued in Docket No. 880812-TP. Since the status of SPS remains experimental, GTEFL shall continue filing quarterly reports in accordance with our previous orders.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that GTE Florida, Incorporated's Suncoast Preferred ServiceSM tariff filing (T-90-254) is hereby suspended as set forth in the body of this Order. It is further

ORDERED that the Motion to Suspend or Deny Implementation of T-90-254 filed on July 24, 1990, by Telus Communications, Inc. is hereby granted to the extent outlined herein. It is further

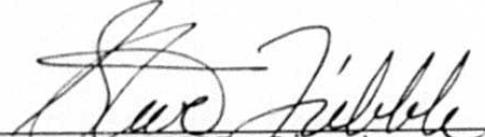
ORDERED that GTE Florida, Incorporated's Motion for Extension of Time is hereby granted to the extent outlined herein. It is further

ORDERED that GTE Florida Incorporated shall continue filing reports as set forth herein. It is further

ORDERED that these dockets shall remain open.

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By ORDER of the Florida Public Service Commission, this 17th
day of SEPTEMBER, 1990.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

ABG

Commissioner Beard dissented without written comment.

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

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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.