

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed Experimental Tariff)	DOCKET NO. 900684-TL
Offering Introducing a Fiber Distributed)	ORDER NO. 23824
Data Interface Network by CENTRAL)	ISSUED: 12-4-90
TELEPHONE COMPANY OF FLORIDA)	

The following Commissioners participated in the disposition of this matter:

MICHAEL MCK. WILSON, Chairman
 THOMAS M. BEARD
 BETTY EASLEY
 GERALD L. GUNTER
 FRANK T. MESSERSMITH

FINAL ORDER APPROVING TARIFF FILING

BY THE COMMISSION:

Central Telephone Company of Florida (Centel or Company) filed proposed revisions to its General Customer Services Tariff on July 3, 1990. The purpose of this filing is to introduce, on an experimental basis, a service Centel calls a Fiber Distributed Data Interface Network (FDDI).

FDDI will form the backbone of a fiber optic Metropolitan Area Network (MAN) that Centel is beginning to deploy. This network will function as a fiber "ring" around the Tallahassee/Leon County area with the ability to connect customers with Local Area Networks (LANs) at multiple locations. This service will permit a customer such as the City of Tallahassee that has several offices around town to be able to link those offices together for high speed data transmission and computing instead of having to perform most of its computing functions at each location.

The City of Tallahassee and Leon County will be the initial customers for FDDI. Their requirements are to extend and connect three geographically separate LANs at a very high speed (ten megabits/second). FDDI will allow these customers to rapidly access each other's computers and/or to concentrate their computer hardware at one location with the other locations accessing the computer processor through FDDI.

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Centel's projected rates are as follows:

<u>Element</u>	<u>Rate</u> <u>Nonrecurring</u>	<u>Recurring</u>
FDDI Network Port	\$500.00	\$297.00
Local Channel Term.	\$557.00	\$ 65.00

These rates are designed to cover Centel's total investment of \$69,616.04 over five years.

Since Centel has used a fully distributed cost methodology for the pricing of this service, we are confident that their costs are covered. Using a fully distributed cost methodology is consistent with Centel's policy of using this method for most, if not all, of their services. A fully allocated cost methodology incorporates both the incremental or additional costs directly associated with the provisioning of the new service, but also a contribution to "common" costs or costs that are shared by all services. Therefore, we are confident that Centel's rates are above its cost to provide FDDI.

The Company forecasts that the two initial customers will subscribe to eight ports within the first year, expanding to thirty ports within three years. However, Centel is not certain that the present rate structure will be sufficient to handle the expected expansion. They have proposed that this tariff be experimental for one year, after which they will reassess the rate structure and make any necessary adjustments.

We believe that this tariff filing is appropriate. FDII's rates appear to cover its fully allocated costs and its experimental nature will allow the Company to review it at the end of one year in service and submit the tariff for our reconsideration.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Central Telephone Company of Florida, Inc.'s proposed experimental tariff offering to introduce Fiber Distributed Data Interface Network for local area users is hereby approved. It is further

ORDERED that any party wishing to protest this order do so pursuant to the requirements set forth below. It is further

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ORDERED that revenues generated by this service be held subject to refund if a protest is filed within the protest period set forth below. It is further

ORDERED that if no protest is received within the protest period set forth below this docket will be closed.

By ORDER of the Florida Public Service Commission, this 4th day of DECEMBER, 1990.

 STEVE TRIBBLE, Director
 Director of Records and Reporting

(S E A L)

JKA

by: Kay Flynn
 Chief, Bureau of Records

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 on this 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

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petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on December 26, 1990.

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

Any objection or protest filed in this docket 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 this order becomes final on the date described above, any party adversely affected may request judicial review 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 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 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.