

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed tariff filing to)	DOCKET NO. 910053-TL
establish rates and charges for Switch-)	
Link Plus by UNITED TELEPHONE COMPANY)	ORDER NO. 24121
OF FLORIDA)	
)	ISSUED: 2/18/91

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
 BETTY EASLEY
 FRANK S. MESSERSMITH
 MICHAEL McK. WILSON

ORDER DENYING TARIFF FILING

BY THE COMMISSION:

SwitchLink Plus is a service that allows users to transmit high speed digital data, up to 56kbs., over the public switched network. Traditionally, high speed digital data services were only available through dedicated private lines. Prospective customers which have been identified by the United Telephone Company of Florida (United or the Company) consist of businesses in the governmental, financial, medical, educational and retail fields. This service can be utilized as an alternative or backup to a customer's dedicated transmission network. Another application is bulk data transfers through the switched network instead of the current method used by many businesses to transmit large data files such as analog modems or on magnetic tape via overnight courier. The end user can use this high speed data service for slow scan video applications such as remote conferencing, surveillance systems and training courses. Medical institutions can provide imaging for transmitting x-rays and CAT scans to distant locations.

United proposes to provision SwitchLink Plus from its DMS-100 central offices utilizing Northern Telecom Inc.'s Datapath software. If a customer desires service in United's territory and is served from another type of central office, its circuit will be routed to the nearest SwitchLink Plus equipped central office.

The costs for SwitchLink Plus were developed using a forward-looking, long-run incremental cost methodology. United proposes nonrecurring and recurring rates of \$150 and \$30, respectively. We have reviewed the cost and contribution amounts and find that adequate contribution is being made towards the shared costs of the Company.

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ORDER NO. 24121
DOCKET NO. 910053-TL
PAGE 2

The proposed usage rates are the same as those already approved for United's SwitchLink (Docket No. 890814-TL) offering which is a slower speed data service (19 kbs). Usage charges are \$0.06 for the first minute and \$0.02 for each additional minute, with a 50% off-peak discount. Long distance rates apply to calls beyond the local calling area. The projected annual gross revenues for SwitchLink Plus are \$14,760 for recurring and \$12,300 for nonrecurring charges.

A customer served from a central office not equipped with SwitchLink Plus must also subscribe to Remote Capability at monthly recurring rates of \$35 for the first mile and \$1 for each additional mile. Remote capability connects the customer's serving central office with the equipped central office. The customer would pay a \$10 monthly flat usage rate and not the \$0.06 and \$0.02 mentioned earlier because of modifications that need to be made to the company's billing system. Again, the rates for this service are the same as those previously approved for SwitchLink, a similar service offering.

United asserts that SwitchLink Plus is a service that will compete with other high speed data services offered by IXC's and with the Company's own digital private line services. Therefore, the Company proposes flexible pricing with a minimum rate boundary of \$28 and a maximum rate boundary of \$34. However, we find that the Company would be competing with its own private line and special access services. If an IXC were to offer a high speed digital service to an end user, it would have to utilize a special access line via the LEC. Thus, we find that the Company's biggest competitor at this time would be itself. The lack of effective competition makes banded rates inappropriate for this service; therefore, we must deny the proposed SwitchLink Plus tariff as filed.

However, we find that SwitchLink Plus is an attractive alternative to private line/special access services. If the Company refiles its tariff consistent with its current filing but without banded rates with a recurring monthly rate of \$30, we will approve the filing administratively.

Based upon the foregoing, it is

ORDER NO. 24121
DOCKET NO. 910053-TL
PAGE 3

ORDERED by the Florida Public Service Commission that United Telephone Company's proposed tariff filing for SwitchLink Plus with banded rates is hereby denied. It is further,

ORDERED that with the timely filing by the Company of appropriate tariff pages to reflect the Commission's decision herein, the SwitchLink Plus tariff will become effective on February 15, 1991. If a protest is filed, the tariff shall remain in effect with any increase held subject to refund pending resolution of the protest. If no timely protest is filed, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 18th day of FEBRUARY, 1991.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

CWM

by: Kay Feigan
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.

ORDER NO. 24121
DOCKET NO. 910053-TL
PAGE 4

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 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 March 11, 1991.

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.