

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed tariff filing to	)	DOCKET NO. 910259-TL
introduce switched data service which	)	
provides customers with end-to-end	)	ORDER NO. 24916
digital connectivity via the public	)	
switched network by GTE FLORIDA	)	ISSUED: 8/15/91
INCORPORATED	)	
	)	

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman  
 J. TERRY DEASON  
 BETTY EASLEY  
 MICHAEL McK. WILSON

ORDER APPROVING TARIFF

BY THE COMMISSION:

On February 8, 1991, GTE Florida Incorporated (GTEFL or the Company) filed tariff revisions proposing to introduce Switched Data Service (SDS). SDS is a proposed data or data-plus-voice offering which would provide end-to-end digital connectivity via the public switched telephone network. SDS is GTEFL's switched digital data alternative to its analog and digital private line services. It is also a substitute for residential and business (R/1 and B/1) services when used in conjunction with modems. The Company asserts that SDS would provide the performance characteristics of digital private line service as well as the flexibility of a switched service.

SDS is comprised of two distinct offerings, Low Speed SDS and High Speed SDS. Low Speed SDS includes bit speeds up to 19.2 Kilobits Per Second (Kbps) and is designed to accommodate existing modem-based applications like PC-to-PC and terminal-to-host communications. The target market for Low Speed SDS is GTEFL's current Centrex service customers and R1/B1 customers who use modems. High Speed SDS includes bit speeds from 48 Kbps up to 64 Kbps and is designed to accommodate applications requiring high speed switched connectivity to a wide geographical area, such as videoconferencing and high speed facsimile and private line backup. The target market for High Speed SDS includes interexchange

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carriers, Centrex customers, videoconferencing customers, high speed facsimile customers, and large business customers with private line networks.

GTEFL based its five-year demand forecast for SDS upon substitution of SDS for services already in place, such as dedicated analog and digital private lines. The Company also expects that SDS will replace analog switched services using modems, especially such services using modems which require 9.6 Kbps and 19.2 Kbps speed. Additionally, SDS demand is based on its ability to complement these other services by providing back-up to them in the event of service failure or system overload. The Company considered the limited availability of SDS in developing its demand forecast for the service. SDS would be available in only 85% of GTEFL's central offices through 1995.

GTEFL proposes rates for SDS which include nonrecurring and monthly access line charges, service establishment charges, wire center line charges, and network usage charges. Bulk discounts apply to the recurring access line charge based on the number of lines to which a customer subscribes. The proposed rates are as follows:

Low Speed Access

Monthly Rates	
1-49 Lines, each	\$37.00
50-100 Lines, each	33.00
101 and above Lines, each	29.00
Nonrecurring Charge	50.00

High Speed Access

Monthly Rates	
1-49 Lines, each	\$47.00
50-100 Lines, each	40.00
101 and above Lines, each	33.00
Nonrecurring Charge	50.00

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Network Usage\*

Calling periods	Per Completed Call	Per Minute
Monday-Friday 10 a.m.- 8 p.m.	\$ .02	\$ .02
Monday-Friday 8 p.m.-10 a.m.	.02	.01
All day, Saturday & Sunday		

\* Network usage charges are applicable to all local calls except CentraNet Intercom calls.

Services similar to SDS offered by other local exchange companies (LECs) are Southern Bell's Accupulse Service and United's Switchlink Service. GTEFL's proposed rates are considerably less than Accupulse, and somewhat less than Switchlink. However, GTEFL's rates exceed its incremental costs.

The Company asserts that SDS offers customer benefits not available with current service offerings. SDS is based on the public switched network, thus customers are able to communicate with a greater community of interest than is possible with dedicated private line services. In addition, SDS eliminates the need to lease expensive private lines. For Low Speed SDS subscribers, SDS offers better quality of service through digital technology than through analog technology available over 2-wire telephone subscriber loops using modems.

We believe that this service could have the effect of migrating current private line customers onto the switched network, thereby improving the efficiency of the network. This service would also reduce the threat of bypass of the LECs' switched network by alternative access vendors. In addition, SDS offers customers greater flexibility in meeting their data communications needs. Finally, the service would provide increased revenues and additional contribution to the common costs of the Company. Accordingly, we find that the tariff proposal is appropriate, and hereby approve it as filed.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that GTE Florida Incorporated's tariff filing to introduce Switched Data Service which provides customers with end-to-end digital connectivity via the public switched network is hereby approved, effective August 1, 1991. It is further

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ORDERED that if a protest is filed in accordance with the requirement set forth below, the tariff shall remain in effect with revenues held subject to refund pending resolution of the protest. It is further

ORDERED that if no protest is filed in accordance with the requirement set forth below, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 15th  
day of AUGUST, 1991.

  
STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

PAK

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

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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 9/5/91.

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.