

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Proposed tariff filing ) DOCKET NO. 930425-TL  
to introduce Switched Multi- ) ORDER NO. PSC-93-1035-FOF-TL  
Megabit Data Service under the ) ISSUED: July 14, 1993  
service trademark "MEGACONNECT" )  
by GTE FLORIDA INCORPORATED )  
\_\_\_\_\_ )

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman  
SUSAN F. CLARK  
JULIA L. JOHNSON  
LUIS J. LAUREDO

ORDER APPROVING TARIFF FILING

BY THE COMMISSION:

On April 23, 1993, GTE Florida Incorporated (GTEFL or the Company) filed tariff revisions proposing to offer a high-speed, packet switched data service under the trademark MEGACONNECT. This service provides network access and public switching capabilities for large business customers with bandwidth requirements for interconnecting multiple locations. GTEFL is offering this service in response to the growth in the use of Local Area Networks (LANs) which connect computing devices together to form a network. MEGACONNECT will allow customers LAN to LAN connection, rapid transfer of high resolution images or massive computer files across great distances, and more efficient access to supercomputers than the current private line alternative. MEGACONNECT is more efficient than a private line network because it offers the flexibility of centralized switching. This allows for communication to locations where traffic volumes will not justify point-to-point dedicated facilities.

MEGACONNECT requires a 1.544 Mbps (DS-1) digital connection between the customer's premises and the Company's switching office, utilizing Switched Multi-Megabit Data Service (SMDS) interface protocol. The Company intends to initially provide all switching of SMDS services from its Tampa-Main central office. As demand warrants, additional SMDS switching capabilities will be installed. MEGACONNECT provides lower costs and flexibility of centralized switching which allows greater access to remote computing facilities. For an equivalent network, MEGACONNECT has

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approximately a 58% lower non-recurring charge (NRC) and a 21% lower monthly recurring charge (MRC) than a DS-1 private line.

Each SMDS connection may have up to 16 unique Subscriber Network Interface (SNI) address assignments. Customers may limit access to their SMDS connection ports by establishing a screening table, which limits access to a SMDS connection port by identifying all calling SNI addresses and matching them to a screening list of SNI addresses with access privileges. A customer may purchase a Group Address Creation feature that provides maintenance of an SNI list for a \$25 non-recurring charge and a \$25 monthly charge. Each change to a SNI address will incur a \$25 NRC.

GTEFL proposes a \$718 non-recurring charge and a \$650 monthly recurring charge for MEGACONNECT. This will provide the customer with unlimited intraLATA usage of the SMDS switch and can be connected through the switch anywhere within the LATA. Customers who subscribe to the service will be able to interconnect multiple premises within GTEFL's LATA. Because GTEFL is precluded from carrying interLATA traffic, IXCs could potentially be large users of MEGACONNECT since their customers who have locations in different LATAs may need this connectivity ability.

GTEFL's cost study indicates that the proposed rates cover the costs of providing the service. The Company expects the majority of the demand for MEGACONNECT to occur in 1995 through 1997. GTEFL estimates that the point in time when the service will have recouped all of its initial investment considering the time value of money, is approximately mid-year 1995.

We believe that this tariff filing is appropriate. This Commission has previously approved a similar high bandwidth service for Central Telephone Company of Florida. Additionally, MEGACONNECT will allow for more rapid transfer of large amounts of data than is currently available through private line connections. Accordingly, we hereby approve the tariff as filed, effective June 22, 1993. We also direct GTEFL to file semi-annual reports containing the actual demand, cost, and revenue generated by the service for a two year period.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that GTE Florida Incorporated's tariff to introduce MEGACONNECT service is hereby approved, effective June 22, 1993. It is further

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ORDERED that GTE Florida Incorporated shall file semi-annual reports containing the actual demand, cost, and revenue generated by MEGACONNECT service for a two year period. It is further

ORDERED that if a protest is filed in accordance with the requirement set forth below, the tariff shall remain in effect with any increase in 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 14th day of July, 1993.

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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

PAK

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

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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 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 August 4, 1993.

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 wastewater 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.