

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval of) DOCKET NO. 930565-TL
tariff filing to waive) ORDER NO. PSC-93-1166-FOF-TL
installation charge for ESSX) ISSUED: August 10, 1993
Integrated Services Digital)
Network (ISDN) service contract)
customers for the Basic Rate)
Digital Subscriber Line (DSL))
Access Arrangement by BELLSOUTH)
TELECOMMUNICATIONS, INC. d/b/a)
SOUTHERN BELL TELEPHONE AND)
TELEGRAPH COMPANY.)

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 May 28, 1993 Southern Bell Telephone and Telegraph Company (Southern Bell or the Company) filed a tariff to waive the installation charge for Basic Rate Digital Subscriber Line (DSL) Access Arrangement. Basic Rate DSL Access Arrangement is a component of ESSX ISDN service. ESSX ISDN service is an intraLATA group of offerings supported by the Integrated Services Digital Network (ISDN) architecture and is available only to Digital ESSX service subscribers. ESSX ISDN service allows simultaneous voice, data, and packet transmissions on the same exchange access line. Access to the subscriber's Digital ESSX service is provided via Basic Rate Access. Basic Rate Access consists of two 64 kilobit per second "B" channels and one 16 kilobit per second "D" channel. The "B" channels carry data and voice while the "D" channel provides signaling capability.

The Company's waiver of the installation charge will be part of a 60 day promotion and is targeted both at potential ESSX ISDN contract customers and current customers who wish to add Digital Subscriber Lines to their existing ESSX ISDN service. The promotion is proposed to run from August 1, 1993 to September 30, 1993.

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The purpose of the Company's proposal is to stimulate demand for its ESSX ISDN service. The Company believes that waiving the installation charge for Basic Rate Access will increase the number of ESSX ISDN customers as well as stimulate demand by current ESSX ISDN customers for additional Digital Subscriber Lines.

A customer's demand for ESSX ISDN service is a function of the customer's need for simultaneous transmission of voice and data over one access line, and the price at which the service is offered. As the price for the service falls, the demand for the service tends to increase. Further, as the perceived need for the service increases, the customer's demand for the service also increases. Since the installation charge for Basic Rate DSL Access Arrangement is the largest nonrecurring rate for ESSX ISDN, we expect the waiver of this charge will have some positive effect on demand for ESSX ISDN service. Current customers that choose to expand their ESSX ISDN service by adding lines will be able to do so at a reduced cost. Potential ESSX ISDN customers can also obtain the service at a reduced cost.

As mentioned, some positive impact on demand for ESSX ISDN service is expected. As demand increases for the service, revenues for the Company will also increase. We expect the proposal to result in some positive benefit to the Company in the form of increased revenues. Review of the Company's cost support indicates that there is sufficient net contribution.

The net contribution estimated by the Company exceeds the foregone revenues due to the proposed waiver of the installation charge. The present value of the foregone revenues due to the waiver will amount to \$72,760, while the contribution due to the proposal will be \$92,711 resulting in a gain of \$19,951.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the tariff amendment filed by BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company to waive the installation charge for ESSX Integrated Services Digital Network service contract customers for the Basic Rate Digital Subscriber Line Access Arrangement is hereby approved. 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

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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 10th day of August, 1993.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

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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 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 31, 1993.

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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.