

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval of) DOCKET NO. 930869-TL
tariff filing to introduce) ORDER NO. PSC-94-0022-FOF-TL
SmartLine service to pay) ISSUED: January 5, 1994
telephone providers by BELLSOUTH)
TELECOMMUNICATIONS, INC. d/b/a)
SOUTHERN BELL TELEPHONE AND)
TELEGRAPH COMPANY (T-93-431)
FILED 7/28/93))
_____)

The following Commissioners participated in the disposition of this matter:

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

ORDER APPROVING TARIFF FILING

BY THE COMMISSION:

By Order No. PSC-93-0289-FOF-TL, issued February 23, 1993, this Commission ordered the four largest local exchange companies (LECs) to file coin line tariffs for non-LEC pay telephone service providers (NPATS), on or before October 4, 1994. On July 28, 1993, BellSouth Telecommunications, Inc. d/b/a/ Southern Bell Telephone and Telegraph Company (Southern Bell or Company) filed the first such proposed tariff to introduce a coin line service, which it has dubbed "SmartLine" service, to pay telephone providers.

A coin line is an access line which provides pay telephone instruments with features and functions, such as call screening and blocking, call rating and recording and coin return, from the LEC's central office. Historically, NPATS have had to rely on "smart" phones, which have such features programmed directly into the payphone, while LECs have been able to provide pay telephone service through coin lines using less expensive "dumb" telephones.

Southern Bell proposes to initially offer Smartline service on a flat rate basis, at \$45.00 per line per month. As soon as usage rating is developed (estimated at 1 year), a usage rated line will

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be available for \$35.00 per line per month plus per minute usage charges for all local calls at the following rates:

	<u>Peak Usage</u>	<u>Off-Peak</u>
Initial minute	\$.03	\$.02
Each additional minute	.015	.01

These rates compare favorably with Southern Bell's current rates for regular business lines, which the NPATS currently use to provide service.

The Company developed the projected costs to provide SmartLine service by adapting loop cost and usage studies developed for other purposes, such as the current rate case. Southern Bell's cost study shows that the average cost of a flat rate SmartLine line will be \$34.04, while a usage rated line will cost \$26.82 plus usage (usage costs were estimated at less than \$.01 per minute).

Southern Bell also proposes to waive the nonrecurring charge for signing up for SmartLine Service between January 1 and March 31, 1994.

Southern Bell estimates that it will sell 386 coin lines by midyear, equalling \$157,673.28 in annual gross revenues. After costs and foregone revenues from the proposed nonrecurring charge waiver are deducted, Southern Bell expects to generate \$40,248.22 in contribution during the first year.

Upon consideration, it appears that Southern Bell's proposed Smartline tariff comports with the requirements of Order No. PSC-93-0289-FOF-TL. Moreover, the proposed rates appear to cover Southern Bell's costs, while providing contribution towards other services. Accordingly, Southern Bell's proposed Smartline tariff is approved, with an effective date of January 1, 1994.

It is, therefore,

ORDERED by the Florida Public Service Commission that the proposed tariff filed by BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company to introduce Smartline service is approved, with an effective date of January 1, 1994. It is further

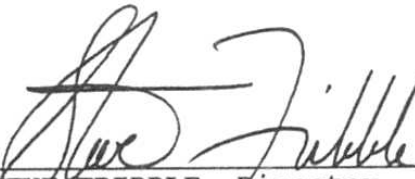
ORDERED that, unless a person whose interests are substantially affected by the tariff approved herein files a petition in the form and by the date specified in the Notice of Further Proceedings or Judicial Review, this Order shall become

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final and this docket shall be closed on the following date. It is further

ORDERED that, if a protest is filed on or before the date set forth in the Notice of Further Proceedings or Judicial Review, this tariff shall remain in effect, with any increase held subject to refund pending the resolution of the protest.

By ORDER of the Florida Public Service Commission this 5th day of January, 1994.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

RJP

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 January 26, 1994.

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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.