

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval of) DOCKET NO. 940941-TI
tariff filing to offer a market) ORDER NO. PSC-94-1317-FOF-TI
trial test to residential) ISSUED: October 26, 1994
customers throughout BELLSOUTH)
TELECOMMUNICATIONS, INC. d/b/a)
SOUTHERN BELL TELEPHONE AND)
TELEGRAPH COMPANY'S service)
territory by AT&T COMMUNICATIONS)
OF THE SOUTHERN STATES (T-94-467)
FILED 9/1/94))

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
SUSAN F. CLARK
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

ORDER DENYING TARIFF FILING

BY THE COMMISSION:

On September 1, 1994, AT&T Communications of the Southern States, Inc. (ATT-C) filed a tariff seeking to offer reduced toll rates to all residential customers throughout the Florida service territory of BellSouth Telecommunication Inc. d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell). While 1+ dialed intraLATA traffic in Florida is reserved for local exchange companies, in this case Southern Bell, customers may access the ATT-C network by dialing 10288+1, thereby dialing around Southern Bell's network. The current tariff filing, defined as a market trial, could be used to determine if ATT-C can compete with Southern Bell for intraLATA toll usage by charging lower basic intraLATA MTS rates than Southern Bell, despite the inconvenience of the customer having to dial additional digits.

Prior to the instant filing, on July 6, 1994, ATT-C filed a tariff to match Southern Bell's intraLATA MTS rates for residential users who dialed 10288+1 for intraLATA calls. These rate reductions were to be offered as a market trial in the Southeast LATA only, and were to run for almost five months. However, that tariff filing was denied by Order No. PSC-94-1043-FOF-TI, issued

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August 24, 1994, wherein we recognized that approval of the tariff would depart from the policy requiring statewide uniform average rates for ATT-C, and that such a policy change would require further consideration. To that end, we have directed staff to open an investigation into the requirement of statewide average rates.

The current filing differs from the previously denied market trial filing in three ways. First, this filing offers reduced toll rates throughout Southern Bell's service territory, not just in the Southeast LATA. Second, this filing proposes rates at least 10% below Southern Bell's, whereas the former filing matched Southern Bell's rates. Third, the trial is scheduled to run for 90 days, from October 1, 1994 through December 31, 1994, as compared to previous trial which was scheduled to run 146 days.

ATT-C proposes to reduce its rates 10% below Southern Bell's daytime intraLATA rates. Evening and Night/Weekend calls will be rated from 10% to as much as 15% below Southern Bell's rates, depending on the mileage band, for the same time periods. These rates apply only to Dial Station calls, which are calls completed without the assistance of an ATT-C operator. Also, ATT-C's discount plans, such as the Simple Savings and True USA discount plans, will apply in addition to the lower basic rates which are being offered. A maximum savings of approximately 40% off ATT-C's current rates could be reached if a customer is enrolled in an ATT-C discount plan and uses ATT-C's network to complete calls, thereby obtaining the lower rates.

Notwithstanding the fact that this filing could benefit qualified customers through reduced toll rates, a long standing Commission policy exists that requires ATT-C to maintain statewide average rates. While this trial offer does provide uniform rates throughout Southern Bell's service territory, it does not meet the requirement to provide uniform average rates throughout Florida. A change in the current policy should be made only if we, and all other interested persons, have had an opportunity to thoroughly review all the issues and possible impacts of such a policy change. These important issues, such as the impact to rates for local service, should be investigated in a separate proceeding. Therefore, upon consideration, we find that ATT-C's tariff filing to offer a market trial to Southern Bell's residential customers in Florida shall be denied.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the tariff to offer a market trial test to residential customers of BellSouth Telecommunications Inc. d/b/a Southern Bell Telephone and

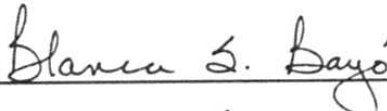
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Telegraph Company in Florida from October 1, 1994 through December 31, 1994, filed by AT&T Communications of the Southern States, is hereby denied. It is further

ORDERED that this Order shall become final and effective unless a protest is filed by a person whose interests are substantially affected in accordance with the requirements set forth below. It is further

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

By ORDER of the Florida Public Service Commission, this 26th day of October, 1994.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

WEW

Commissioners Deason and Kiesling dissented.

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, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on November 16, 1994.

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.