BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval of) DOCKET NO. 951078-TL
tariff filing to introduce Fast)
Packet Services Payment Plan to)
Access Service by BellSouth)
Telecommunications, Inc. d/b/a)
Southern Bell Telephone and)
Telegraph Company (T-95-549)
filed 8/28/95))
_____)

In Re: Request for approval of) DOCKET NO. 951077-TL
tariff filing to introduce Fast) ORDER NO. PSC-95-1413-FOF-TL
Packet Services to General) ISSUED: November 21, 1995
Subscriber and Private Line)
Services by BellSouth)
Telecommunications, Inc. d/b/a)
Southern Bell Telephone and)
Telegraph Company (T-95-548)
filed 8/28/95))
_____)

The following Commissioners participated in the disposition of
this matter:

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

ORDER APPROVING TARIFFS

BY THE COMMISSION:

On August 28, 1995, Southern Bell Telephone and Telegraph
Company of Florida (Southern Bell or the Company), filed tariffs to
introduce new access and general subscriber/private line services
with associated payment plans in Florida. The new services include
Exchange Access Frame Relay (XAFRS), Exchange Access Connectionless
Data Services (XACDS), general subscriber/private line Frame Relay
Service, general subscriber/private line Connectionless Data
Service, and Broadband Exchange Line Service. These services, also
known as fast packet or packet-switched data services, are
primarily utilized for the interconnection and transport of data
between local area networks (LANS).

A.   Access Tariff

Exchange Access Frame Relay Service (XAFRS)

Frame Relay Service is a connection oriented, packet switched data service interconnecting local area networks (LANs) or other compatible customer equipment.

To transport data within the network, the data must first be framed. Framing is done via the Data Link Connection Identifier (DLCI) or address field, which specifies the connection. Once these identifiers surround the variable length frames (packets) of data, they are ready to be relayed. Data packets are then transported end-to-end via a bi-direction channel known as a Permanent Virtual Circuit (PVC). Although software tables guide the speed of transmission over the PVC, PVCs can relay data at speeds ranging from 1 kbps to 44.21 Mbps depending on the customer's needs.

In order to connect the customer to the XAFRS network, a standard interface must be designated. There are two such interfaces: a User Network Interface (UNI), and a Network to Network Interface (NNI). The UNI interface receives the data frame from the customer's network verifying that the DLCI is valid before relaying the frame to its destination from the end office. The NNI is designed for customers with switching and transport capability and specifies how an XAFRS switch in an end office sends and receives data from another provider's frame relay switch at the point of presence (POP).

Exchange Access Connectionless Data Service (XACDS)

Connectionless Data Service is a connectionless, packet switched data service interconnecting LANs or other compatible customer equipment.

XACDS is comprised of a network interface component and optional features only. The XACDS switch subdivides a customer's data traffic into packets much like frame relay. Each packet contains address information. However, in this instance each packet is switched independently without the prior establishment of a network connection. Each subscriber to XACDS is assigned a Subscriber Network Interface (SNI). The SNI acts as a unique address to which the XACDS switch will identify, verify and route traffic.

Southern Bell states that it is offering four optional features to improve the quality and utility of XACDS. These features include multiple addresses, a group address list, and individual and group address screening tables.

According to Southern Bell, subscribers to fast packet services may select one of two payment plans. Term payment plan "A" may be selected for committed service from 12-24 months in length. Term payment plan "B" may be selected for committed service from 25-48 months in length. In the event that all or any part of a service is disconnected at the customer's request prior to the end of the selected payment plan period, termination liability charges will apply.

The Company has submitted cost data for each rate element associated with the offering of XAFRS and XACDS. All recurring and nonrecurring costs for each rate element are fully recovered independently of one another. Therefore, a positive contribution is expected from each rate element. The Company anticipates a first year cumulative contribution for all services and feature options of $33,628.36.

Southern Bell asserts that XAFRS and XACDS services are being offered as a result of customer demand for LAN interconnection across LATA boundaries within the State of Florida.

B. General Subscriber and Private Line Services Tariffs

Southern Bell proposes to introduce fast packet services in its general subscriber and private line services tariffs. Conceptually, the frame relay and connectionless data services technologies do not differ from the frame relay and connectionless data services in the access tariff. However, the rates and structure are different.

Frame Relay Customer Connection

There are three customer connection rate elements. All connection rate elements include the interface on the frame relay switch, the facility from the customer's serving area point (SAP) to the switch, and one DLCI.

A SAP is a wire center or central office (CO) designated as a member of the frame relay service network. The broadband exchange line from the SAP to the frame relay switch is incorporated in the selected customer connection rate element. If the CO is not

identified as an SAP, then a broadband exchange line extension is required to access the nearest CO also serving as an SAP.

In addition to frame relay customer connection charges, the customer must select a committed information rate (CIR). The CIR allows the customer to select the desired sustained throughput under normal operating conditions. A CIR is selected for each DLCI. Frames submitted at a higher rate than designated by CIR subscription, are marked discard eligible (DE) and are dropped from the network should network congestion occur. If the network is not congested, then the frames pass with the same reliability as frames not marked DE.

Connectionless Data Service (CDS) Customer Connection

Like frame relay service, CDS connection rate elements include the interface on the frame relay switch, the facility from the customer's serving area point (SAP) to the switch, and one DLCI.

Southern Bell is also offering optional features which include two screening tables. Individual and group address screening is provided by the CDS switch. This screening validates that the information intended for a given location is only received by that location and that a given location transmits information only to authorized receiving locations. These features are intended to safeguard the customer's transmission of data over a public network.

Broadband Exchange Line Service

There are two rate elements available for broadband exchange line services: Broadband exchange line-fast packet, and broadband exchange line extension-fast packet.

The broadband exchange line connects the customer premises with the customer's serving wire center. It is a prerequisite for frame relay or CDS data transmission.

A broadband exchange line extension is only required when the customer's serving CO is not also a SAP. A CO which is not also a SAP requires that it be linked with a CO which is a SAP. The link or facility between the two is called a broadband exchange line extension.

As in the access tariff, subscribers to fast packet services out of the general subscriber and private line services tariffs, will be able to select one of two payment plans. Term payment plan "A" may be selected for committed service from 12-36 months in length. Term payment plan "B" may be selected for committed service from 37-60 months in length. In the event that all or any part of a service is disconnected at the customer's request, prior to the end of the selected payment plan period, customer termination liability charges will apply.

The Company has submitted cost data for each rate element associated with the offering of frame relay, CDS and broadband exchange line service. All recurring and nonrecurring costs for each rate element are fully recovered independently of one another. Therefore, a positive contribution is expected from each rate element. The Company anticipates a one-year cumulative contribution for all services and feature options of $1,128,801.72 which is a 61% contribution.

Upon consideration, we find that Southern Bell Telephone and Telegraph Company of Florida's proposal to introduce Fast Packet Services and associated payment plans in its Access Service, General Subscriber and Private Line Services tariffs is appropriate.

Therefore, it is

ORDERED by the Florida Public Service Commission that Southern Bell Telephone and Telegraph Company of Florida's proposal to introduce Fast Packet Services and associated payment plans in its Access Service, General Subscriber and Private Line Services tariffs is hereby approved. It is further

ORDERED that these tariffs shall be effective October 27, 1995. It is further

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

ORDERED that a protest of one tariff shall not prevent the other tariff from becoming final. It is further

ORDERED that if no protest is filed, these dockets shall be closed.

By ORDER of the Florida Public Service Commission, this <u>21st</u> day of <u>November</u>, <u>1995</u>.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

by: _Kay Flynn_____
Chief, Bureau of Records

(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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on <u>December 12, 1995</u>.

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.