

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Proposed Tariff filing by ) DOCKET NO. 890304-TL  
 GTE Florida Inc. Grandfathering and ) ORDER NO. 21039  
 Subsequently Eliminating Four-Party ) ISSUED: 4-13-89  
 Service. )

The following Commissioners participated in the disposition of this matter:

MICHAEL MCK. WILSON, CHAIRMAN  
 THOMAS M. BEARD  
 BETTY EASLEY  
 JOHN T. HERNDON  
 GERALD L. (JERRY) GUNTER

ORDER APPROVING TARIFF

BY THE COMMISSION:

On January 27, 1989, GTE Florida, Inc. (GTEFL or Company) filed proposed revisions to its General Services Tariff to grandfather and subsequently eliminate four-party residential service in its service territory and to eliminate zone charges for two-party residential service.

We have previously approved GTEFL's upgrade of its two-party business service in 1986. See Docket No. 860751-TL, Order No. 16418, where we approved the grandfathering of GTE's two-party business service customers until message rate business service was made available in the affected exchanges. This allowed the grandfathered customers to choose between a flat rate service or a message rate service that could be lower than the two-party flat rate, depending on usage. Since GTEFL offered no other multiparty business services (i.e. four-party service), that filing eliminated all such business service in its territory.

In similar fashion, the Company proposes to phase out residential four-party service. With our approval, GTEFL will begin the necessary changes to convert all existing four-party customers by December 31, 1989. The subscribers' lines will be inspected and upgraded or replaced as necessary. Telephone instruments may be modified or replaced, and central office connections will be reconfigured for one or two-party lines. Reconfiguration of some central offices will be necessary to facilitate message rate billing.

There are currently 18,705 four-party customers in GTEFL's territory. These customers would be notified that they have until December 31, 1989 to choose between single or two-party rate, or one-party message rate service. This will parallel GTEFL's initiative to expand message rate service to all remaining exchanges in its territory by December 31, 1989.

GTEFL has also proposed in this filing to eliminate zone charges for two-party residential service pursuant to Rule 25-4.068, Florida Administrative Code. This rule prohibits a local exchange company from charging zone charges on its lowest grade of service. GTEFL's lowest grade of residential service is now two-party with the elimination of four-party service.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

ORDER NO. 21039  
DOCKET NO. 890304-TL  
PAGE 2

GTEFL subscribers residing outside its base rate area (estimated to be 15% of GTEFL's four-party subscribers) may be required to pay an increased rate since they will have to upgrade their service and will receive no zone charge reduction. Depending upon the customer's rate zone, single-party rates would increase from \$1 to \$11 per month over basic rates. A customer living in the outer zone (Rate Group 7) that chooses two-party service will see a maximum increase of \$1.55.

The 7,386 present two-party customers that currently pay zone charges will no longer pay these charges when four-party service is eliminated. This will equate to a \$73,578 rate reduction for these subscribers, or an average of \$9.96 per customer per year.

We have approved the gradual movement of Florida telephone subscribers to single-party service in various dockets for LECs in recent years. See ALLTEL, Docket No. 850064-TL; CENTEL, Docket No. 850067-TL; Southern Bell, Docket Nos. 860075-TL and 880069-TL; St. Joseph Docket No. 881304-TL). We find here, as we did in these prior dockets, that the advantages of one-party service such as custom calling features, equal access, privacy, transmission quality, and the avoidance of operator fraud, among others, are in the best interests of the general body of ratepayers and should be encouraged.

We find that the ultimate benefit to the ratepayers of the increase in the quality of service outweighs the company's costs as well as ratepayer costs, which will be the small monthly rate increase to a minor percentage of the GTEFL's affected subscribers. We therefore approve this tariff proposal.

Consistent with our prior decision in Docket No. 880069-TL regarding Southern Bell, we find that GTEFL should be responsible for modifying the equipment of affected customers to accommodate single party service. In the case of Southern Bell, we ordered these changes to be made without cost to the subscriber pursuant to its General Subscriber Services Tariff. Although GTEFL's tariff contains no like provision, we find that GTEFL should make the necessary changes to the customers' telephones at no cost to the subscriber.

Based upon the foregoing, it is

ORDERED by the Florida Public Service Commission that the tariff proposal by GTE Florida, Inc. to grandfather and subsequently eliminate four-party residential service in its service territory and to eliminate zone charges for two-party residential service is hereby approved as described herein. It is further

ORDERED that GTEFL should make the changes to the customers' telephones that are necessary to accommodate single party service at no cost to the subscribers. It is further

ORDERED that this docket be and hereby is closed.

ORDER NO. 21039  
DOCKET NO. 890304-TL  
PAGE 3

By ORDER of the Florida Public Service Commission,  
this 13th day of April, 1989.

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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

ELJ

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 hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer 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 after the issuance of this order, 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.