

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed tariff filing to lower discount threshold for Megacom WATS)	DOCKET NO. 910780-TI
Volume Value plan by AT&T COMMUNICATIONS OF THE SOUTHERN STATES, INC.)	ORDER NO. 24968
)	ISSUED: 8/26/91

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
 J. TERRY DEASON
 BETTY EASLEY
 MICHAEL MCK. WILSON

ORDER APPROVING ATT-C TARIFF FILING TO LOWER DISCOUNT THRESHOLD FOR MEGACOM WATS

BY THE COMMISSION:

AT&T Communication of the Southern States, Inc. (the Company, or ATT-C) has submitted a tariff filing to lower the discount threshold for Megacom WATS (the service). Megacom WATS, initially offered by ATT-C in 1986, is an outgoing discount toll service configured for customers generating a large volume of calls. Unlike regular WATS which uses local access lines, Megacom WATS is provided by direct connection to ATT-C's point of presence (POP). This direct connection can be made in a variety of ways such as: ATT-C's Accunet T1.5 service; T1 service by a local exchange company (LEC); or T1 facilities provided by a private vendor.

Megacom WATS contains several features. To control costs and usage, the service blocks calls to 700, 800, and 900 numbers as well as conference calls, calling card calls, and operator assisted calls. In addition, a related service---Call Data Reports---is available which provides area codes analyses, calendar day reports, summary of total calls processed, total time of calls, average call length, busy time by calls, and average calls per weekday.

Rates for Megacom WATS are computed based on day, evening, and night/weekend periods with an initial time of 18 seconds followed by 6 second increments. In conjunction with these rates, ATT-C also offers the Volume Value Plan (VVP). VVP was initiated in June of 1988. It offers percentage discounts for usage charges exceeding various thresholds. The thresholds and discounts for VVP are:

<u>Total Usage Charges</u>	<u>Percent Discount</u>
\$0.00 to \$10,000.00	0%
\$10,000.01 to \$30,000.00	5%
\$30,000.00 and over	10%

DOCUMENT NUMBER-DATE

08498 AUG 26 1991

FPSC-RECORDS/REPORTING

ORDER NO. 24968
DOCKET NO. 910780-TI
PAGE 2

Once a customer exceeds a threshold during a billing month, the discount is applied to any charges over that threshold. For example, if a customer generates \$11,000.00 in usage charges. A 5% discount would be applied to \$999.99, which is the dollar amount above the threshold. this would result in a discount of \$50.00.

ATT-C, in response to competition, has requested that the first threshold of \$10,000.01 be reduced to \$7,500.01. The Company states that this will effect roughly 3% of those customers using Megacom WATS and will result in a negative impact to the Company's revenues of \$16,000, annually.

We have examined ATT-C's calculations of costs per minute of use for Megacom WATS and find that the revenues received after the threshold decrease exceeds those costs. Therefore, we approve ATT-C's filing to reduce the threshold for the VVP.


This tariff shall become effective August 15, 1991. If a timely protest is filed, this tariff shall remain in effect, with any increase held subject to refund, pending resolution of the protest. If no timely protest is filed, this Docket shall be closed

Based upon the foregoing, it is

ORDERED by the Florida Public Service Commission that ATT-C's filing to lower the discount threshold for its Megacom WATS Volume Value Plan is hereby approved. It is further

ORDERED that this tariff shall become effective August 15, 1991. If a timely protest is filed as set forth below, this tariff shall remain in effect, with any increase held subject to refund, pending resolution of the protest. If no timely protest is filed, this Docket shall be closed.

By ORDER of the Florida Public Service Commission, this 26th
day of AUGUST, 1991.



STEVE TRIBBLE, Director
Division of Records and Reporting

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ORDER NO. 24968
DOCKET NO. 910780-TI
PAGE 3

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 9/16/91.

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 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 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.