

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed tariff filing to) DOCKET NO. 910539-TI
establish the AT&T CIID/891 Card) ORDER NO. 25061
Incentive Plan as a promotional offering) ISSUED: 9/13/91
by AT&T COMMUNICATIONS OF THE SOUTHERN)
STATES, INC.)
_____)

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
SUSAN F. CLARK
J. TERRY DEASON
BETTY EASLEY

ORDER APPROVING TARIFF

BY THE COMMISSION:

On April 29, 1991, AT&T Communications of the Southern States, Inc. (ATT-C or the Company) filed a tariff revision proposing a promotional offering to AT&T CIID/891 Calling Card (the Card) customers as an incentive to use the new card. The Company proposes to offer customer discounts on Message Toll Service (MTS) usage rates charged to the Card in the form of a rebate awarded one year after the month the customer receives the new Card.

This proposal first came before us at the May 21, 1991, Agenda Conference. At that time, the Company requested that the filing be suspended due to delays in acquiring approval from the Federal Communications Commission (FCC) for the interstate version of the promotional offering. The initial filing proposed a 15% discount. ATT-C agreed to reduce the discount from 15% to 10%, and received FCC approval. On July 22, 1991, ATT-C resubmitted its intrastate tariff filing for the Card promotional offering to reflect the adjusted discount percentage and the new effective date of September 1, 1991.

The proposed promotional Card Incentive Plan offers a discount to eligible AT&T CIID/891 Card customers in the form of a credit. Customers who attain total charges of \$30 or more for three consecutive months in combined intrastate and interstate long distance usage billed to a Card account will receive a credit in the amount of 10% of the total charges. The credit will apply in each successive three calendar month period in which the customers attains at least \$30 in eligible usage for a period of one year

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after he receives the Card. Customers who receive a Card on or before December 31, 1991, will be eligible for the credit.

A third-party contracted firm will handle the credit reimbursements through either a certificate towards ATT-C services or a certificate redeemable for goods and services at participating vendors. Each Card customer will be informed whether they achieved the minimum calling usage necessary to receive the discount for the previous period's call usage. Customers will be notified by the contracted firm immediately after each 3-month period.

The Company hopes to increase market penetration and acceptance of the AT&T CIID/891 Calling Card by giving customers an opportunity to purchase MTS usage initiated via the Card at less than the current tariffed rates for calls originated through other types of calling cards. The Company believes this promotional offer will encourage customers to memorize the CIID number appearing on the Card or to carry the Card with them in order to be able to read or dial the CIID number. The current AT&T card has an identification number which is often the same as the customer's own telephone number, whereas the 14 digit number on the new Card is unrelated to the customer's phone number. This Card will offer the security of not having the customer's home phone number on the Card, and has a permanent number that allows customers to keep that number even when the move.

We require that ATT-C's MTS rates meet or exceed the access rates it pays to the local exchange company in the aggregate. Since charges for credit card calls include a per call service charge of \$.80 in addition to usage rates, we believe that even with a 10% reduction, the MTS rates will still meet or exceed access charges.

Rule 25-24.485(1)(i), Florida Administrative Code, states that temporary rate reductions, such as the one proposed in this filing, should not result in any individual customer being able to receive temporarily reduced rates for a given service offering for more than 90 days in any twelve month period. ATT-C has requested waiver of this rule for the purposes of this filing only. We agree that the waiver of this rule is appropriate in this case. The object of the Company is to encourage Card users to memorize the 14 digit CIID number, and this would probably require a test period longer than three months for many users of the Card. Therefore,

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pursuant to our authority under Rule 25-24.455(4), we hereby grant ATT-C's waiver request.

We believe that the intent of the Company to increase market penetration and acceptance of the AT&T CIID/891 Calling Card through the proposed calling card incentive plan is appropriate. The Card appears to provide greater security and convenience to the customer than is currently available with the AT&T Calling Card. Accordingly, we hereby approve AT&T Communications of the Southern States, Inc.'s Card Incentive Plan as a promotional offering, to become effective August 27, 1991, and to expire on December 31, 1992.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that AT&T Communications of the Southern States, Inc.'s tariff filing establishing the AT&T CIID/891 Card Incentive Plan as a promotional offering is hereby approved. It is further

ORDERED that AT&T Communications of the Southern States, Inc.'s request for waiver of Rule 25-24.485(1)(i), Florida Administrative Code, is granted as set forth in the body of this Order. The promotional offering shall become effective August 27, 1991, and will expire December 31, 1992. It is further

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

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

By ORDER of the Florida Public Service Commission, this 13th day of SEPTEMBER, 1991.



STEVE TRIBBLE, Director
Division of Records and Reporting

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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 at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on 10/04/91

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.

M E M O R A N D U M

September 11, 1991

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (KURLIN) *pak TR*

RE: DOCKET NO. 910539-TI

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Attached is an ORDER APPROVING TARIFF in the above-referenced docket, which is ready to be issued.

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Attachment

cc: Division of Communications

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*draft
due 9/14/91*

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