

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed tariff filing to reduce)	DOCKET NO. 910966-TL
the network usage rate for the optional)	
Land-to-Mobile service arrangement and)	ORDER NO. 25449
introduce a new network usage rate)	
element for the optional Land-to-Mobile)	ISSUED: 12/9/91
service arrangement by SOUTHERN BELL)	
TELEPHONE AND TELEGRAPH COMPANY)	

The following Commissioners participated in the disposition of this matter:

- THOMAS M. BEARD, Chairman
- SUSAN F. CLARK
- J. TERRY DEASON
- BETTY EASLEY
- MICHAEL MCK. WILSON

ORDER APPROVING TARIFF FILING

BY THE COMMISSION:

The Land-to-Mobile (LTM) billing arrangement provides for payment to Southern Bell Telephone and Telegraph Company (Southern Bell or the Company) by a mobile service provider (MSP), such as a cellular carrier, when Southern Bell provides connection between a landline user and the MSP's point of interconnection. Southern Bell's tariff specifies that the applicable rates be based on local exchange company (LEC) terminating access charges. This tariff filing proposes that the rates be based on LEC originating access charges, thereby reducing the charge.

Originally constructed in the Mobile Interconnection Docket, Docket No. 870675-TL, the MSPs have the option of paying access charges in lieu of paying toll charges so that calls appear local to landline callers calling mobile users. These charges then are passed on to the MSP's mobile customer by the MSP. This billing arrangement is currently restricted to intraLATA (local access transport area) intracompany connections. However, expanding the arrangement to include connections between landline users and MSP points of interconnection in independent company territories within the same LATA is also a part of this filing as discussed below.

An example of the LTM billing arrangement is as follows. Suppose a landline user places a call to a mobile user whose MSP's point of interconnection is in the same LATA and in the same

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company's territory but outside the local calling scope of the landline user. The call is passed from the landline LEC's central office to the MSP's interconnection point. Instead of the landline user paying toll charges to reach the MSP's switch, the MSP is billed access charges for the call. To the landline user, the call is treated as a local call, while the mobile carrier incurs the charges. In this filing, Southern Bell is proposing to reduce its rates for this arrangement.

Initially, in Docket No. 870675-TL, the MSPs requested a LTM option with rates set at some level other than message toll service (MTS) rates. At that time, we set the toll component of the composite usage rates to be paid by the MSPs to the LECs as the appropriate rate for the LTM option. That toll component was equal to terminating switched access charges. By employing Southern Bell's originating Carrier Common Line Charge (CCLC) instead of the terminating CCLC, the access rate is reduced from the current \$.0719 to \$.0597 per minute.

We find that it is now more appropriate to assess the originating switched access charge rate on this originating type of traffic. Accordingly, we shall approve reduction of the interconnection rate from the terminating rate of \$.0719 to the originating rate of \$.0597. The annual revenue impact to Southern Bell is estimated to be \$27,000.

Currently, there is no provision in Southern Bell's tariff to allow for a call placed by a landline user to a mobile user to terminate in another company's territory without the landline user being charged toll rates. Should the landline user place a call that originates and terminates in Southern Bell's territory, the MSP is billed for access rather than the landline user being charged for a toll call. This arrangement, as discussed above, is not available for calls placed by a landline user to a mobile user which originate in Southern Bell's territory but terminate in an independent operating company's territory. Southern Bell's tariff filing proposes to alleviate this situation through the installation of billing and collection procedures that will enable transport of landline-to-mobile calls between operating companies without toll charges being levied on the originating landline user.

In order for Southern Bell to properly court and bill for connection of LTM service, a device must be installed to "count" calls from landline end users to the MSPs' mobile subscribers. This is accomplished by designating a range of NXX codes for LTM

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service. A block of NXX numbers must then be purchased in its entirety by the MSP. The MSP is also required to restrict this block of NXXs to LTM use. In cases where the MSP has an NXX code that is already confined to LTM use, that code can continue to be so designated, as long as the remainder of the block is also confined to LTM use. Generally, calls are made by dialing a seven-digit series as would be the practice for any local call. However, in LATAs having more than one Numbering Plan area code, the originator of the call must first dial "1," followed by the area code.

The LTM plan will apply to calls originating from both residential and business telephones, as well as from pay telephones (where the pay telephone user will be charged normal charges, usually \$.25). The same holds true for calls made with a calling card which require 0+ service. Because the Company is already collecting terminating usage charges from other originating MSPs and other access services, calls made through these services will be exempt from the Plan usage charge. Calls made from wide area telephone service (WATS) lines also are exempt from the usage charge, assuming the call is made within the prescribed band.

To establish a reasonable compensatory rate, Southern Bell has averaged terminating access rates for all affected LECs (those excluded are GTE Florida, Incorporated and Gulf Telephone Company, both of which do not share a LATA with Southern Bell) and then added the originating access charge, a charge which is uniform. The averaged termination rate is \$.1095 and added to that is the originating rate of \$.0597. The result is a per minute charge of \$.1692. The following describes Southern Bell's methodology in calculating this figure:

- 1) Using the total average minutes of use by month for all the LECs, isolate a percentage of contribution that each LEC contributes to the total average monthly minutes of use.
- 2) Calculate the specific access charges for each company using Local Transport, Toll SW, the intertoll trunking and equivalent busy hour minute of capacity (BHMOC) Minutes of Use paid by Southern Bell to each company.

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- 3) Add to each company's specific access charges, the common charge for each LEC which consists of CCL - terminating, local switching, and line termination.
- 4) Multiply each company's sum as defined in step 3 above by the percentage of contribution that each LEC makes to the total average monthly minutes of use (calculated in step 1).
- 5) Sum the calculation made in step 4 above for all ten companies.
- 6) Add originating access charge to the sum derived in step 5 above.

We believe that Southern Bell's proposal will benefit users of the network by expanding the number of landline end users who can reach mobile numbers on a toll-free basis. Accordingly, we shall also approve Southern Bell's proposal to charge MSPs access for landline-to-mobile user calls originating in Southern Bell's territory and terminating in an independent operating company's territory all within the same LATA.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Southern Bell Telephone and Telegraph Company's tariff filing to reduce the network usage rate for the optional Land-to-Mobile service arrangement and introduce a new network usage rate element for the optional Land-to-Mobile service arrangement (T-91-462) filed September 11, 1991, is hereby approved effective November 11, 1991. It is further

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

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By ORDER of the Florida Public Service Commission, this 9th
day of DECEMBER, 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 12/30/91.

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

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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.