

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed Tariff to ) DOCKET NO. 920220-TL  
Introduce Business Line 800 ) ORDER NO. PSC-92-0273-FOF-TL  
and Residence Line 800 Services ) ISSUED: 04/29/92  
by GTE FLORIDA INCORPORATED )  
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The following Commissioners participated in the disposition of this matter:

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

ORDER APPROVING TARIFF

BY THE COMMISSION:

On February 18, 1992, GTE Florida Incorporated (GTEFL or the Company) filed a proposed tariff to introduce Business Line 800 (BL800) and Residence Line 800 (RL800) Services to GTEFL customers. BL800 is a common line, intraLATA only, 800 service designed for the small to medium sized business customer. RL800 is the residential customer counterpart. This service is similar to Southern Bell's Option 800 Service previously approved by this Commission (Docket No. 890697-TL, Order No. 22059).

BL800 and RL800 Services allow inbound toll-free intraLATA 800 calls to terminate on any business or residential exchange access line rather than a dedicated access line. If a subscriber requests multiple terminations of BL800 or RL800 Services within the LATA, he may subscribe to an optional feature entitled Variable Call Destination (VCD). The optional service will allow customers to terminate calls to one 800 number at different points within the LATA. The customer may select the terminating points for calls by time of day, day of week or originating location.

We note that traditional 800 services require the purchase of a dedicated line and frequently have minimum monthly usage requirements. BL800 and RL800 Services eliminate the requirements for a dedicated line and minimum monthly usage. Dedicated lines are expensive; therefore, it is difficult for the small to medium sized business customer to economically justify 800 service. We find that this service will benefit customers by making available a low cost 800 service.

The BL800 and RL800 Services will use the new Signaling System

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Seven (SS7) technology. This technology provides for an out-of-band signaling network independent of the existing public switched network, which results in more efficient utilization of the current network plus the framework for the spawning of new services.

The proposed rate structure of BL800 and RL800 includes both recurring and nonrecurring charges. A \$10.00 non-recurring charge applies for both business and residential customers for installation of the service. The customer is billed a monthly recurring charge of \$3.00 for each 800 number ordered. An additional recurring monthly charge of \$2.00 applies to each additional location specified when the customer subscribes to the optional service VCD. The customer is also billed usage rates equivalent to the current usage rates for the intraLATA portion of GTEFL's 800 Service. Usage is rounded to the tenth of an hour (6 minutes), with a minimum average time requirement per call of 30 seconds. The current usage rates for intraLATA 800 service which are proposed for the BL800 and RL800 Services will continue to cover access charges in the aggregate.

The cost information submitted by the Company indicates that the proposed rates cover the identified costs. Only the intrastate intraLATA costs are included in the development of the BL800 and RL800 costs and prices since GTEFL can only offer the service on an intraLATA basis. The costs related to SS7 are based on allocation of total company cost for deployment of SS7 based on relative usage.

GTEFL indicates that the cost for the variable call destination charge was difficult to quantify. The VCD functionality requires that the customer have a larger record in database memory, longer and more sophisticated processing inside of the switch to determine which of multiple termination sites is correct for the transaction, plus other administration costs. GTEFL believes that each of these, while theoretically identifiable, in practice is difficult to quantify but expected to be small in size. As a consequence, GTEFL has offered no cost value for support. However, the Company has proposed a \$2.00 monthly charge for this functionality. Staff's advises that the rate covers administrative costs of the service. In addition, this charge will notify the customer that this optional feature is not free, while a zero price may lead to inefficient utilization of this feature.

The revenue estimates below are the 1992 projected revenues, based on seven months of billing (May 1992 through December 1992). Business customers are assumed to generate 13.89 hours of usage per month. Residence customers are assumed to generate 1.4 hours of

usage per month. Daytime 800 usage rates were used for revenue calculations. Variable Call Destination (VCD) service is assumed to have a 1% penetration rate among BL800 customers. Monthly recurring revenue and usage are based upon mid-year forecasted customers.

1992 Revenue Estimate						
	Customers	NRC	Monthly	Usage	VCD	Revenue
Business	582	\$5,820	\$6,120	\$454,500	\$41	\$466,481
Residence	260	2,600	2,736	21,195	0	26,531
TOTAL						\$493,012

The revenue estimate includes the nonrecurring charge, a monthly recurring charge and usage charges for the 800 subscribing customers, along with an optional Variable Call Destination monthly recurring charge. In addition, the revenue estimate includes any possible displaced MTS revenue.

We conclude that this tariff offers the small to medium size business and residential customer with an economically justifiable means of subscribing to an intraLATA 800 Service. We approve the tariff as filed with an effective date of April 18, 1992.

It is therefore


ORDERED by the Florida Public Service Commission that GTE Florida, Inc.'s tariff to introduce Business Line 800 and Residence Line 800 Services is approved as filed with an effective date of April 18, 1992. It is further

ORDERED that if a timely protest is filed pursuant to the requirements set forth below, all increase revenues resulting from this filing shall be held subject to refund. It is further

ORDERED that if no protest is received within the time frame set forth below, this docket shall be closed.

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By ORDER of the Florida Public Service Commission, this 29th  
day of April, 1992.

  
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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 May 20, 1992.

In the absence of such a petition, this Order shall become final on the day subsequent to the above date.

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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.