**FLORIDA PUBLIC SERVICE COMMISSION**

 **Fletcher Building**

 **101 East Gaines Street**

 **Tallahassee, Florida 32399-0850**

 **M E M O R A N D U M**

 **June 10, 1993**

**TO : DIRECTOR, DIVISION OF RECORDS AND REPORTING**

**FROM : DIVISION OF COMMUNICATIONS [BOYD]**

 **DIVISION OF LEGAL SERVICES [ADAMS]**

**RE : DOCKET NO. 930472-TL: PROPOSED TARIFF FILING TO REDUCE RECURRING AND NON-RECURRING RATES FOR SINGLE PARTY ACCESS FEATURE BY UNITED TELEPHONE COMPANY OF FLORIDA.**

**AGENDA: JUNE 22, 1993 - CONTROVERSIAL - PARTIES MAY PARTICIPATE**

**CRITICAL DATES: 60 DAYS EXPIRES JUNE 29, 1993**

**SPECIAL INSTRUCTIONS: I: PSC\CMU\WP\930472.RCM**

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 **CASE BACKGROUND**

 Answering machines manufactured prior to 1982 continue to record a caller's message after the caller disconnects, until the tape in the machine ends. Most answering machines built since 1982 have an automatic cutoff feature built in. This service delivers a signal to a pre-1982 answering machine that the calling party has disconnected and recording should cease.

 The rates in the existing tariff were based on costs associated with providing the feature in analog switches (hardware driven). The proposed rates reflect the cost associated with providing the feature in digital switches (software driven).

 **DISCUSSION OF ISSUES**

**ISSUE 1:** Should United Telephone of Florida's tariff proposal to reduce the recurring and non-recurring rates for Single Party Access Line feature be approved?

**RECOMMENDATION:** Yes, United Telephone of Florida's tariff proposal should be approved.

**STAFF ANALYSIS:** The Single Party Access Line feature, also known as "cutoff on disconnect," sends a signal to a subscriber's pre-1982 answering machine that the calling party has disconnected and recording should stop. Answering machines manufactured prior to 1982 will continue to record tone pulses (slow busy signal) after the caller has disconnected and until the tape in the machine ends.

United has offered this service since 1984.

 The rates for this feature were based on costs associated with providing this service in an analog switch. An actual piece of hardware, a Tellabs 9134 Quad Line Card, had to be installed for this service to operate in an analog environment.

 The proposed rates reflect the cost associated with a digital switch. In a digital environment, the feature is provided by a class designation in computer software. United is proposing to reduce the monthly recurring charge (MRC) for this service from $28.40 to $3.00.

 United currently has one customer subscribing to this service. Assuming demand remains constant for this service, United's annual revenues for this service will decrease from $340.80 to $36.

 United also proposes to eliminate the current 12 month termination liability associated with this service. The termination liability "locked in" the customer for 12 months at $28.40 a month regardless of whether service was disconnected during this time. Eliminating this termination liability will give the customer freedom to discontinue service without penalty and is logical since the service is no longer hardware driven.

**ISSUE 2**: Should this docket be closed?

**RECOMMENDATION**: Yes, if issue 1 is approved this tariff should become effective June 29, 1993. If a timely protest is filed, this tariff shall remain in effect with any reduction in revenue held subject to refund pending resolution of the protest. If no timely protest is filed, this docket should be closed.

**STAFF ANALYSIS**: At the conclusion of the protest period, if no protest is filed, this docket should be closed.