

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Proposed tariff filing) DOCKET NO. 930404-TL
to provide refunds to) ORDER NO. PSC-93-1096-FOF-TL
residential and business) ISSUED: July 27, 1993
customers when installation or)
repair commitment is missed by)
GTE FLORIDA INCORPORATED)
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
THOMAS M. BEARD
SUSAN F. CLARK
JULIA L. JOHNSON
LUIS J. LAUREDO

ORDER APPROVING TARIFF FILING

BY THE COMMISSION:

On April 16, 1993, GTE Florida Incorporated (GTEFL or the Company) filed tariff revisions proposing to offer a Service Performance Guarantee program (SPG or the program). This program would provide refunds in the amount of \$25 for residential and \$100 for business customers for missed installation or repair commitments. GTEFL maintains that this service will provide the Company with a tool to raise customer satisfaction at the point of contact following a service failure, and will demonstrate the Company's regret and determination to prevent the failure from reoccurring. GTEFL believes that the SPG program will ultimately increase customer satisfaction and, in light of increased competition, enhance customer retention and loyalty.

GTEFL is requesting that this program be effective for a period of twelve months following the effective date of the tariff. At the end of this period, the Company will determine the effectiveness of the program, and decide whether to ask the Commission for approval to continue the SPG.

This filing was originally brought before the Commission at the June 8, 1993, Agenda Conference. At that time, the Commission requested that the Company provide additional information on pilot tests of the program that had been conducted in other states. GTEFL has provided us with that information.

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ORDER NO. PSC-93-1096-FOF-TL
DOCKET NO. 930404-TL
PAGE 2

The Company indicates the SPG has been approved in Alabama, Arizona, Arkansas, Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Missouri, Nebraska, New Mexico, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, West Virginia and Wisconsin. GTE plans to submit the SPG later this year in California, Hawaii, Idaho, Oregon, Montana and Washington.

GTEFL forecasts projected payouts of \$927,456 in 1994, \$926,362 in 1995, and \$883,603 in 1996. There is only a slight decline in the amount of the projected payout over the 3-year period. We would note that GTEFL achieved an overall compliance rate of 99.4% in 1992 out of a total of 841,378 installation and repair activities. Thus, it is clear that the Company is providing service that surpasses our rule standards. However, GTEFL believes that the SPG will bridge the gap between its internal measurement systems and customer perception.

We believe that this filing is appropriate. However, because this program is the first of its kind in Florida, it represents a modification of our current policy. Notwithstanding, we conclude that the possible benefits of this program merit its implementation on a trial basis. Thus, we shall approve the program for a period of 12 months, effective July 12, 1993.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that GTE Florida Incorporated's tariff proposing to provide refunds to residential and business customers when installation or repair commitments are missed, is hereby approved. It is further

ORDERED that this tariff shall be effective for a period of 12 months, from July 12, 1993 through July 11, 1994. 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 any increase in 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.

ORDER NO. PSC-93-1096-FOF-TL
DOCKET NO. 930404-TL
PAGE 3

By ORDER of the Florida Public Service Commission this 27th
day of July, 1993.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

PAK

by: Kay Ryan
Chief, Bureau of Records

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 August 17, 1993.

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

ORDER NO. PSC-93-1096-FOF-TL
DOCKET NO. 930404-TL
PAGE 4

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 wastewater 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.