

FLORIDA PUBLIC SERVICE COMMISSION

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M E M O R A N D U M

AUGUST 5, 1993

TO : DIRECTOR, DIVISION OF RECORDS AND REPORTING

FROM : DIVISION OF COMMUNICATIONS [BOYD] *BB*
DIVISION OF LEGAL SERVICES [KURLIN] *pk H*

RE : DOCKET NO. 930488-TL: PROPOSED TARIFF FILING TO OFFER
CENTRANET AUTOMATIC CALL DISTRIBUTION (ACD/MIS) BY GTEFL
INC. (T-93-237, FILED 5/10/93)

AGENDA: AUGUST 17, 1993 - CONTROVERSIAL - PARTIES MAY PARTICIPATE

CRITICAL DATES: 60 DAYS EXPIRES JULY 9, 1993
COMPANY WAIVED 60 DAYS

SPECIAL INSTRUCTIONS: I:\PSC\CMU\WP\930488.RCM

CASE BACKGROUND

CentraNet Automatic Call Distribution (ACD) is a central office based service, using 5ESS switch technology, which allows incoming calls to be efficiently managed among a customer's employees (operators) answering the incoming calls. With ACD, incoming calls are allocated and equally distributed to available operators based on call parameters defined by the customer. For example, a large mail order business that handles many Spanish and English inquiries would employ bilingual or specific language phone operators (order takers). In this example, with ACD the business could preface each phone call with a customized message in either Spanish or English directing the caller to "marke el uno para espanol" and "push 2 for English" to reach an appropriate operator.

CentraNet ACD can be further enhanced with the extensive call handling and management capability of the Management Information System (MIS). The customer's MIS data link contains current call information that is forwarded to a MIS located in the central office. The MIS in turn, provides the customer with detailed call management information. To continue the example from above, with the MIS feature supervisors at the mail order business could monitor their operators' volumes of calls handled, how many calls are being handled by Spanish vs. English speaking operators, rearrange groups of operators if preset call volumes are being exceeded, and control the origination and termination of incoming calls (operator group 1 could handle local calls, operator group 2 could handle 800 calls). Monitoring and changes are made on a customer's personal computer.

DOCUMENT NUMBER-DATE

08436 AUG-5 93

100-RECORDS/REPORTING

DISCUSSION OF ISSUES

ISSUE 1: Should GTEFL's tariff proposal to offer CentraNet Automatic Call Distribution (ACD)/ACD-Management Information System (ACD/MIS) be approved?

STAFF RECOMMENDATION: Yes, GTEFL's tariff proposal should be approved. The Commission should also require GTEFL to file semi-annual reports containing actual demand, cost and revenue generated by this service for a two-year period.

STAFF ANALYSIS: CentraNet Automatic Call Distribution will allow a customer the ability to allocate and efficiently manage incoming calls to available operators, based on call parameters defined by the customer. Any business that handles large volumes of calls or needs to customize announcements with specific instructions (an insurance claim office or a multi-language office), could be a potential customer.

For a customer to subscribe to the ACD or ACD\MIS features, a basic CentraNet ACD package will need to be purchased. The basic CentraNet ACD package allows the purchaser to allocate calls among up to 20 operators. A non-recurring rate of \$50 and a monthly recurring rate of \$24.50 would apply.

There are three basic features associated with CentraNet ACD:

Customized Announcement: This is an announcement to callers in queue (basically, on hold) that advises them of answering delays. For example: "You have reached the XYZ Accounting offices. All of our lines are busy at the moment. Please hold and an operator will be with you shortly". Customized Announcement could also set up the call for Call Prompts. (see Call Prompts below) A \$510 non-recurring rate for setting up Customized Announcement would apply. Any future Customized Announcement changes would cause the subscriber to incur a \$160 non-recurring charge. In addition, a customer pays a \$50 monthly recurring rate for the Customized Announcement feature. The Call Vectoring feature mentioned below is required with this service.

Call Vectoring: This feature provides the customer with the ability to program a series of call handling steps that an incoming call will follow before it is routed to an operator or a call prompt. Call vectoring is a software driven routing device that can direct a caller from the customized announcement to a specific department or individual. For example, a caller that is put through a series of call prompts to reach a final destination, is being routed to each call prompt via call vectoring. Call vectoring also provides for Music on Queue, which allows for a caller in queue to listen to music while waiting for an available operator. Call vectoring has a \$100 non-recurring charge per ACD group (up to 20 operators) and a \$10 monthly recurring rate per ACD line.

Call prompt: This feature allows one or more subsequent announcements to be played for incoming callers after the Customized Announcement. The call prompt asks callers to enter touch-tone digits that correspond to a specific department or individual. For example, after a Customized Announcement, two "prompt" steps (or announcement levels) could be: press "1" for the accounting department, (step 1) then, after reaching accounting, press "1" for cost accounting, press "2" for disbursement accounting (step 2). A customer subscribing to Call Prompts would be charged a \$100 non-recurring rate for each "prompt" step. A \$150 monthly recurring rate would also apply regardless of the amount of "prompts". For Call Prompts to be directed properly, the Call Vectoring feature is required.

CentraNet ACD can be further enhanced with a Management Information System feature. A customer's MIS data link contains up-to-the-minute call information that is forwarded to a MIS located in the central office. The MIS, in turn, will provide the customer the ability to monitor their operators, control the origination and termination of incoming calls, manage calling patterns, set answering time frames, rearrange operator groups, and manage trunk loading. The customer's personal computer(s) can monitor and make immediate configuration changes to the above MIS features. Each customer's personal computer must have a MIS data link. A \$25 non-recurring rate and \$75 monthly recurring rate would apply. Appropriate private line service charges will apply to the private line facilities that are required for this feature.

The cost and revenue support for the ACD/MIS feature and all of its options was broken into two separate categories; feature related hardware and software right-to-use (RTU) fees. For the feature related hardware cost and revenue development, GTEFL used Bellcore's Switching Cost Information System (SCIS) model. Staff was unable to perform an analysis of the figures generated by the SCIS model due to confidentiality constraints. After several discussions with GTEFL, however, staff is satisfied with the methodology used to develop the costs and revenues for the hardware for this service.

The software RTU fees for each option were initially annuitized (equal payments) over ten years by GTEFL. Staff had concern the ten year time frame for recovering costs was too lengthy given the short useful life of software in light of technological advances. Staff had several consultations with GTEFL in regard to this issue and it was agreed that a five year cost recovery time frame would be more appropriate. (See Table 1 below)

TABLE 1

FEATURE	10 yr. annuity mo. cost	5 yr. annuity mo. cost	Proposed mo. rate
Basic CentraNet ACD	\$12.10	\$16.04	\$24.50
Call Prompts	\$119.00	\$151.24	\$150.00
Call Vectoring	\$8.26	\$13.09	\$10.00
MIS Data Link	\$56.38	\$59.53	\$75.00

Table 1 represents monthly costs and rates for each feature that is software intensive. The "10 yr. annuity mo. cost" column represents the feature's monthly cost to GTEFL based on recovering costs over 10 years. The "5 yr. annuity mo. cost" column represents the feature's monthly cost to GTEFL based on recovering costs over five years. The "proposed mo. rate" column represents GTEFL's proposed rates.

As Table 1 illustrates, the proposed rates for Call Vectoring and Call Prompts fail to cover the monthly cost developed using a five-year annuity approach. Staff was initially concerned that each feature should cover its cost. After several consultations with GTEFL, however, staff believes the service configurations as a "package" should cover costs; not necessarily each individual feature. For example, a basic service configuration (Basic CentraNet ACD, Customized Announcement, and Call Vectoring) would be compensatory (22% contribution). Staff has analyzed every possible package choice a customer could purchase, and has determined each package will provide a contribution.

Docket No. 930488
August 5, 1993

ISSUE 2: Should this docket be closed?

STAFF RECOMMENDATION: Yes, if Issue 1 is approved this tariff should become effective on August 17, 1993. If a timely protest is filed, this tariff should remain in effect with any increase in revenues 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.