

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval of ) DOCKET NO. 950034-TL  
tariff filing to enhance )  
provision of existing Channel )  
Services Payment Plan in Access )  
Tariff by BELLSOUTH )  
TELECOMMUNICATIONS, INC. d/b/a )  
SOUTHERN BELL TELEPHONE AND )  
TELEGRAPH COMPANY (T-94-646 )  
filed 12/2/94 )  
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In Re: Request for approval of ) DOCKET NO. 950035-TL  
tariff filing to enhance ) ORDER NO. PSC-95-0239-FOF-TL  
provision of existing Channel ) ISSUED: February 21, 1995  
Services Payment Plan in Private )  
Line Tariff by BELLSOUTH )  
TELECOMMUNICATIONS, INC. d/b/a )  
SOUTHERN BELL TELEPHONE AND )  
TELEGRAPH COMPANY. (T-94-647 )  
filed 12/2/94 )  
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The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman  
J. TERRY DEASON  
JOE GARCIA  
JULIA L. JOHNSON  
DIANE K. KIESLING

ORDER APPROVING TARIFFS

BY THE COMMISSION:

On December 2, 1994, BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell or the Company) filed revisions to its Access and Private Line Tariffs to enhance the provision of its existing Channel Services Payment Plans (CSPP). The CSPP is a payment plan that allows customers to pay stabilized rates for channel service equipment and facilities, over different contractual payment periods.

I. ACCESS TARIFF

Currently, CSPP provisions include the application of rates and charges, as well as the handling of additions, disconnects,

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moves of equipment, changes in length of optional payment period, and renewals. Customers may choose payment plan options from 24 to 96 months in duration.

Southern Bell proposes to enhance its CSPP terms and conditions in its Access Tariff to include the following: 1) the elimination of termination liability charges associated with intrastate vs. interstate jurisdictional changes; 2) the flow-through of rate decreases to customers under a CSPP arrangement; 3) more renewal options; 4) exemptions from termination liability charges for customer requests for upgrades to a higher order of service; 5) exemptions for state, county and municipal governments from paying termination liability charges when funding is unavailable; 6) the enhancement of terms and conditions of digital data access service; 7) transfers of service and prepayment of services; and 8) provisions for contracts greater than 96 months.

A. Jurisdictional Changes

Southern Bell proposes that a change in jurisdiction, from intrastate service to interstate service or vice versa, will not constitute a disconnect of service provided that the new CSPP arrangement is 1) a minimum 24-month service period, or is equal to or exceeds the remaining service period, whichever is greater; and 2) the new CSPP arrangement is for the same customer at the same location for the same capacity service. If such conditions are met, then termination liability charges would not apply.

B. Flow-Through of Rate Decreases

Southern Bell proposes that rates currently charged under contract through a CSPP arrangement will not be raised due to Company-initiated increases in the service rates; however, decreases for any rate element would automatically flow through to the customer under a CSPP.

C. Renewal Options

Southern Bell proposes that customers with a service date of January 1, 1994, or later, who renew a CSPP arrangement will receive recognition of previous service in determining the appropriate CSPP payment plan. Recognition of previous service will be to the actual date of service. This provision would apply to both CSPP customers renewing arrangements and month-to-month customers converting to a CSPP. For month-to-month customers whose service date is January 1, 1994, or earlier, recognition will be given for the previous service back to January 1, 1994.

The CSPP has three Term Payment Plans: 1) a 36-Month Term Payment Plan, for which payment periods may be selected from 24 months to 48 months in length, at the 36-month rates and charges; 2) 60-Month Term Payment Plan, for which payment periods may be selected from 49 months to 72 months in length, at the 60-month rates and charges; and 3) an 84-Month Term Payment Plan, for which payment periods may be selected from 73 months to 96 months in length, at the 84-month rates and charges. Recognition of service would consist of the sum of months in service of the completed service arrangement and the sum of the months of the proposed service period of the CSPP arrangement.

D. Requested Upgrades to a Higher Order of Service

Southern Bell proposes that termination liability charges will not apply when the customer requests an upgrade to a higher order of service if minimum criteria are met. For the purpose of determining a higher order of service, Southern Bell proposes a ranking order in response to customer requests for upgrades of service. Analog voice grade service has the lowest ranking and SmartPath service has the highest ranking. The following are the proposed rankings:

Analog Voice Grade Services  
DSO Services  
DS1 High Capacity Service  
SmartPath Service

Under the proposed tariff, the termination liability charges would not apply if the following conditions are met: 1) the service period of the new CSPP arrangement for the higher order of service must be a minimum 24-month service period, or be equal to or exceed the remaining service period of the disconnected arrangement, whichever is greater; 2) the service orders to install the new higher order of service and disconnect the old service are related and there is no lapse between installation of the new service and the disconnection of the existing service; and 3) the service orders are for the same customer and location.

E. Termination Liability for State, County, and Municipal Governments

Southern Bell proposes to add an exception to the termination liability provisions for state, county, and municipal governments. This provision would allow a governmental entity to cancel the CSPP Access Service without incurring termination liability charges, if funding for the service becomes unavailable. This is only applicable when there is a statute, ordinance, policy directive, or

constitutional provision which restricts or prohibits an additional contractual payment for early termination of a contract by any such entity, or agency thereof, due to the unavailability of funding. This language mirrors Section A2 of Southern Bell's General Subscriber Service Tariff.

F. Enhancement for Digital Data Access Service

Southern Bell also proposes to allow customers of Digital Data Access Services under a contract plan to be exempt from termination liability charges when requesting a higher order of service; however, applicable CSPP provisions for termination will apply and any change must be to a service administered under a contract payment plan.

G. Transfer of Service and Prepayment of Monthly Rates

Southern Bell proposes to add provisions allowing transfer of existing service to a new customer at the same location upon written concurrence by the new customer. In addition, Southern Bell proposes to allow prepayment of monthly rates for customers having payment periods longer than one month. This language mirrors Southern Bell's Private Line Tariff.

H. Contracts Greater Than 96 Months

Southern Bell proposes that when a customer extends service beyond the longest available service period, which is 96 months, the longest available tariffed service period rates will apply.

I. Cost and Revenue Impact

There is no direct cost or revenue impact associated with Southern Bell's proposed filing.

J. Customer Impact

The proposed enhancements to Southern Bell's Channel Services Payment Plan in its Access Tariff affect customers on a going-forward basis. This filing clarifies existing terms and conditions of the CSPP and enhances the CSPP by adding new terms and conditions. The most notable change in the CSPP is that rate reductions will flow through to a customer who is under a CSPP and such customers will continue to be exempt from Company-initiated rate increases.

Upon review, we find that Southern Bell's proposed enhancements to its Channel Services Payment Plans are appropriate,

because the new renewal options allow more flexibility for the customer when upgrading service or renewing service. In addition, allowing rate reductions to flow-through to CSPP customers provides them the benefit of lower rates. Thus, Southern Bell's proposed tariff filing to enhance the provisions of its existing Channel Services Payment Plan in the Access Tariff is hereby approved.

## II. PRIVATE LINE TARIFF

Similar to the provisions of CSPP in its Access Tariff, Southern Bell proposes to enhance its CSPP terms and conditions in the Private Line Tariff to include the following: 1) the flow-through of rate decreases to customers under a CSPP arrangement; 2) more renewal options; 3) exemptions from termination liability charges for customer requests for upgrades to a higher order of service; 4) exemptions for state, county and municipal governments from paying termination liability charges when funding is unavailable; 5) the enhancement of terms and conditions of SynchroNet service; 6) transfers of service; and 7) provisions for contracts greater than 96 months.

### A. Proposed provisions that are same as Access Tariff

Southern Bell proposes the same provisions for its Private Line Tariff as it proposes for its Access Tariff for the following sections: the flow-through of rate decreases, renewal options, exemption of termination liability charges for governmental entities for CSPP customers, and for contracts greater than 96 months.

### B. Requested Upgrades to a Higher Order of Service

Southern Bell proposes that termination liability charges will not apply when the customer requests an upgrade to a higher order of service if minimum criteria are met. For the purpose of determining a higher order of service, Southern Bell proposes a ranking order in response to customer requests for upgrades of service. Analog voice grade service is the lowest ranking service, and LightGate service is the highest ranking service. The following are the proposed rankings:

Analog voice grade service  
SynchroNet Service  
MegaLink Service/MegaLink Channel Service  
MegaLink ISDN Service  
SmartPath Service  
LightGate Service

Under the proposed tariff, the termination liability charges would not apply if the following conditions are met: 1) the service period of the new CSPP arrangement for the higher order of service is a minimum 24 month service period, or is equal to or exceeds the remaining service period of the disconnected arrangement, whichever is greater; 2) the service orders to install the new higher order of service and disconnect the old service are related and there is no lapse between installation of the new service and the disconnection of the existing service; and 3) the service orders are for the same customer and location.

C. Enhancement for SynchroNet Customers

Southern Bell also proposes to allow customers of SynchroNet Service under a contract plan to be exempt from termination liability charges when requesting a higher order of service; however, applicable CSPP provisions for termination will apply and the change must be to a service administered under a contract payment plan.

D. Transfer of Service and Minimum Deferral of Nonrecurring Charges

Southern Bell proposes to add provisions allowing transfer of existing service to a new customer at the same location upon written concurrence by the new customer. This is the same as that Southern Bell proposes in its Access Tariff. In addition, Southern Bell's Private Line Services CSPP provisions currently allow deferred payment of nonrecurring charges over a customer selected payment period. In this filing, Southern Bell proposes to reduce the minimum amount eligible for deferral from \$4,000 to \$2,000.

E. Cost and Revenue Impact

There is no direct cost or revenue impact associated with Southern Bell's proposed filing.

F. Customer Impact

The proposed enhancements to Southern Bell's Channel Services Payment Plan in its Private Line Tariff effect customers on a going forward basis. This filing both clarifies existing terms and conditions of the CSPP and enhances the CSPP by adding new terms and conditions. In addition, this filing lowers the amount nonrecurring charges a customer can defer over the life of the contract. The most notable change in the CSPP is that rate reductions will flow through to a customer who is under a CSPP.



Customers under a CSPP will continue to be exempt from Company-initiated rate increases.

We find that Southern Bell's proposed enhancements to its Channel Services Payment Plans in its Private Line Tariff are appropriate, because the new renewal options allow more flexibility for the customer when upgrading service or renewing service. In addition, allowing rate reductions to flow-through to CSPP customers gives everyone the benefit of lower rates. Therefore, we approve Southern Bell's proposed tariff filing to enhance the provisions of its existing Channel Services Payment Plan in its Private Line Tariff.

Based on the foregoing, it is,

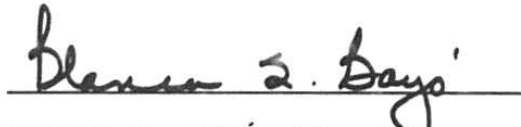
ORDERED by the Florida Public Service Commission that the tariff to enhance the provisions of existing Channel Services Payment Plan filed by BellSouth Telecommunications, Inc. d/b/a Southern Bell and Telegraph Company in its Access Tariff is hereby approved with an effective date of February 1, 1995. It is further

ORDERED that the tariff to enhance the provisions of existing Channel Services Payment Plan filed by Southern Bell in its Private Line Tariff is hereby approved with an effective date of February 1, 1995. It is further

ORDERED that if a protest is filed in accordance with the requirements set forth below, these tariffs 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 requirements set forth below, these dockets shall be closed.

By ORDER of the Florida Public Service Commission, this 21st day of February, 1995.



BLANCA S. BAYÓ, Director  
Division of Records and Reporting

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 these tariffs 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, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on March 14, 1995.

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 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.