

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval of) DOCKET NO. 950833-TL
tariff filing to delete VALU-PAK) ORDER NO. PSC-95-1105-FOF-TL
Service and Suncoast Preferred) ISSUED: September 6, 1995
Service and introduce GTE Easy)
Savings Plan and GTE Savings)
Plan for Business by GTE Florida)
Incorporated. (T-95-388 filed)
6/29/95))

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 TARIFF

BY THE COMMISSION:

On June 29, 1995, GTE Florida Incorporated (GTEFL or the Company) filed a tariff to introduce two new intraLATA toll optional calling plans (OCPs). Currently, GTEFL has two OCPs: VALU-PAK and Suncoast Preferred. GTEFL proposes to delete these plans and offer one new plan for residential customers, GTE Easy Savings Plan, and one for business customers, GTE Easy Savings Plan for Business.

The GTE Easy Savings Plan is the Company's long distance toll calling plan for residential customers. GTEFL will migrate its current residential VALU-PAK and Suncoast Preferred customers to the new plan. All affected customers will be notified of the migration. The plan offers a 25% discount off MTS rates when customers make \$10.00 or more in monthly intraLATA toll calls. The discount will be applied after any applicable time of day discounts have been deducted. Customers will not incur monthly recurring or nonrecurring charges.

GTE Easy Savings for Business is available to large and small business customers. It provides discounts of 10% to 40% off MTS rates based on the customer's monthly usage volume and term commitments. The discount will be applied after any applicable time of day discounts have been deducted. The plan allows business

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customers to choose to receive service on a month-to-month, 1 year term, or 3 year term basis. There is no monthly recurring or nonrecurring charge applied to customers when subscribing to this plan.

Those business customers currently subscribed to Suncoast Preferred service will be migrated to the month-to-month plan. Current Suncoast Preferred Multi-Tenant business customers will be moved to either the 1 year or 3 year Multi-Tenant term plans to match the term commitment made while under that service offering. All affected customers will be notified of the migration. Business customers electing either the 1 year or the 3 year term commitment will not pay a monthly recurring charge, but will be subject to a liability charge for early termination. The charge will be \$100 for early termination of the 1 year contract and \$300 for the 3 year contract. Multi-tenant customers will be subject to \$50 and \$150 liability charges for early termination of 1 year and 3 year term commitments, respectively.

GTEFL's proposed discount calling plans appear to be simpler for customers to understand and use. Customers can benefit under the new plans in several ways. First, the Company proposes not to assess monthly recurring charges. Second, the discount offered under the residential plan applies to all GTEFL long distance charges, as opposed to only those charges associated with direct dial station-to-station calls. With the GTE Easy Savings Business Plan, business customers also will not pay monthly recurring charges. In addition, the business customers will be able to save money on sub-minute rating of calls. The current business plans round calls to the next minute for billing purposes. The Easy Savings for Business plan will charge for the initial 18 seconds of the call and for each additional 6 second increment.

GTEFL estimates that the new discount calling plans will generate additional revenue over the current plans. However, the Company estimates an overall revenue loss due to customers migrating from the higher rates offered under Two-Point Service. Two-Point Service is GTEFL's standard toll service which is not an OCP, but offers time of day discounts. GTEFL also asserts that reducing the number of discount calling plans will reduce the Company's administrative expenses. The Company estimates a revenue reduction of \$5,803,664 as a result of the new discount plans.

The Company has demonstrated that the proposed rates cover access charges. The effective rate for the residential plan is \$.13331 per minute and \$.13719 per minute for the business plan. These rates are above GTEFL's current imputation floor of \$.13275 per minute.

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Upon consideration, we believe the proposed tariff is appropriate. It offers customers discount calling plans which are easy to understand and offers benefits not available with the current discount plans. In addition, GTEFL's ability to compete in the intraLATA toll market will be enhanced by the proposed changes.

Based on the foregoing, it is

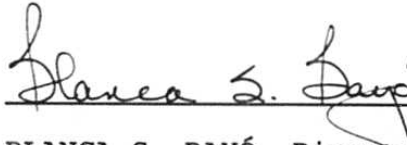
ORDERED by the Florida Public Service Commission that GTE Florida Incorporated's tariff to introduce GTE Easy Savings Plan and GTE Easy Savings Plan for Business is hereby approved. It is further

ORDERED that this tariff shall be effective August 28, 1995. It is further

ORDERED that if a protest is filed in accordance with the requirements 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, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 6th day of September, 1995.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

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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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on September 27, 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.