



# Public Service Commission

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## -M-E-M-O-R-A-N-D-U-M-

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RECORDS AND REPORTING  
*Handwritten initials and signatures*

**DATE:** NOVEMBER 16, 2000

**TO:** DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

**FROM:** DIVISION OF REGULATORY OVERSIGHT (HAWKINS)  
DIVISION OF COMPETITIVE SERVICES (CATER)  
DIVISION OF LEGAL SERVICES (CHRISTENSEN)

**RE:** DOCKET NO. 001623-TL - PROPOSED TARIFF FILING TO INCREASE PER-CALL ACTIVATION RATES FOR CALL TRACING BY FRONTIER COMMUNICATIONS OF THE SOUTH, INC. (T-00-1513 FILED 10/20/00)

**AGENDA:** 11/28/00 - REGULAR AGENDA - TARIFF FILING - INTERESTED PERSONS MAY PARTICIPATE

**CRITICAL DATES:** 30-DAY EFFECTIVE DATE: EXTENDED BY THE COMPANY

**SPECIAL INSTRUCTIONS:** NONE

**FILE NAME AND LOCATION:** S:\PSC\RGO\WP\001623.RCM

### CASE BACKGROUND

On October 20, 2000, Frontier Communications of the South, Inc. ("Frontier" or "the company") submitted a tariff filing to increase per-call activation rates for Call Tracing. Frontier is a small local exchange telecommunications company which is rate base, rate of return regulated. The company has submitted a letter extending the 30-day effective date of this tariff filing to November 28, 2000. The tariff filing is included as ATTACHMENT A.

DOCUMENT NUMBER-DATE

14823 NOV 16 8

FPSC-RECORDS/REPORTING

DATE: November 16, 2000

**ISSUE 1:** Should Frontier's proposed tariff filing to increase the per call activation rate for Call Tracing be approved?

**RECOMMENDATION:** Yes. The proposed tariff filing to increase the per call activation rate for Call Tracing should be approved. The tariff should become effective November 28, 2000. **(HAWKINS, CATER)**

**STAFF ANALYSIS:** As previously stated, Frontier proposes to increase the per call activation rate for Call Tracing. Call Tracing is a feature which enables a customer to initiate an automatic trace of the last call received.

The Commission is vested with jurisdiction over this matter through the provisions of Sections 364.04, 364.05 and 364.052, Florida Statutes. Pursuant to Section 364.052, Florida Statutes, Rule 25-4.214, Florida Administrative Code, Tariff Filings, was adopted which states that:

Tariff filings for new services and changes to an existing service that are submitted by small local exchange companies subject to the Commission's rate base and rate of return regulation shall go into effect on the 30th day following the day of filing unless: (1) The company requests a later effective date; or (2) The Commission suspends or denies the filing prior to the 30th day.

The company has submitted a letter extending the 30-day effective date of this tariff filing to November 28, 2000.

Frontier's filing proposes to increase the per call activation rate from \$2.00 to \$4.00. In addition, the monthly cap for Call Tracing will be increased from \$10.00 to \$24.00. Under this new rate, Florida customers would be charged \$4.00 per activation for the first six Call Trace requests made per month. The customer would not be charged for any subsequent Call Trace requests made during the month.

Staff reviewed the revenue impact data provided by Frontier. The company estimated that the additional revenue generated by these tariff changes would be an annual increase of \$288. The company reported an achieved return on equity (ROE) of -5.95% on its December 31, 1999 Earnings Surveillance Report (ESR). This additional revenue would have a negligible impact on earnings.

DOCKET NO. 001623-TL

DATE: November 16, 2000

Staff recommends that the Commission approve Frontier's tariff filing to increase the per call activation rate. Staff believes this increase will allow the company to provide a service at rates comparable to the rates charged by other local exchange companies for a similar service. If the Commission approves the proposed tariff filing at its November 28, 2000 Agenda Conference, the tariff filing should become effective on that date.

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

**RECOMMENDATION:** Yes. If no protest is filed within 21 days of the issuance of the Order, this docket should be closed upon the issuance of a Consummating Order. **(CHRISTENSEN)**

**STAFF ANALYSIS:** If a protest is filed within 21 days of the Commission Order approving this tariff, the tariff should remain in effect pending resolution of the protest, with any charges held subject to refund pending resolution of the protest. If no protest is filed, this docket should be closed upon the issuance of a Consummating Order.

GENERAL SUBSCRIBER SERVICES

Frontier Communications of the South, Inc.  
201 South Pensacola Avenue  
Atmore, Alabama 36502

Florida PSC – Tariff No. 2  
Section A13.  
Third Revised Sheet 10  
Canceling Second Revised Sheet 10

MISCELLANEOUS SERVICE ARRANGEMENTS (Cont'd)

A. Custom Calling Services (Cont'd)

6. Rates

b. Min and Max Ranges for Rates (Cont'd)

(3.) <u>Usage Sensitive Features</u>	<u>Per Activation Rates</u>			
	<u>Residence</u>		<u>Business</u>	
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>
Call Tracing*	\$ .50	\$ 4.00	\$ .50	\$ 4.00
Three Way Calling*	\$ .50	\$ 4.00	\$ .50	\$ 4.00
Call Forwarding*	\$ .50	\$ 4.00	\$ .50	\$ 4.00
Call Waiting*	\$ .50	\$ 4.00	\$ .50	\$ 4.00
Call Return/Automatic Redial*	\$ .50	\$ 4.00	\$ .50	\$ 4.00
Continuous Redial with Prompting*	\$ .50	\$ 4.00	\$ .50	\$ 4.00

\* per activation

- (a.) There is no connection charge associated with the initial connection of Usage Sensitive Features. However, applicable service order charges will apply to subsequent connections.
- (b.) Charges apply for successful activation only.
- (c.) The monthly maximum for usage sensitive features, except for call Tracing, is \$10.00.
- (d.) The monthly maximum for Call Tracing is \$24.00

(C)  
(C)  
(N)

Issued By: Richard Burgess,  
General Manager

Date Issued: October 20, 2000

Effective: \_\_\_\_\_

Frontier Communications of the South, Inc.  
201 South Pensacola Avenue  
Atmore, Alabama 36502

Florida PSC – Tariff No. 2  
Section A13.  
Fifth Revised Sheet 15  
Canceling Fourth Revised Sheet 15

MISCELLANEOUS SERVICE ARRANGEMENTS (Cont'd)

A. Custom Calling Services (Cont'd)

6. Rates (Cont'd)

c. Actual Rates (Cont'd)

(1.) Rates per Line (Cont'd)

	Per Activation Rates						USOC
	Residence			Business			
	Min.	Max.	Actual	Min.	Max.	Actual	
<u>Usage Sensitive Features</u>							
Call Tracing*	\$ .50	\$ 4.00	\$ 4.00	\$ .50	\$ 4.00	\$ 4.00 (CT)	(I)
Three Way Calling*	\$ .50	\$ 4.00	\$ .75	\$ .50	\$ 4.00	\$ .75 (3WCA)	
Call Forwarding *	\$ .50	\$ 4.00	\$ .75	\$ .50	\$ 4.00	\$ .75 (CFA)	
Call Waiting*	\$ .50	\$ 4.00	\$ .75	\$ .50	\$ 4.00	\$ .75 (CWA)	
Call Return/Automatic Redial*	\$ .50	\$ 4.00	\$ .75	\$ .50	\$ 4.00	\$ .75 (CRETA)	
Continuous Redial with Prompting*	\$ .50	\$ 4.00	\$ .75	\$ .50	\$ 4.00	\$ .75 (CRDLA)	

\*per activation

(2.) Multiple Custom Calling Feature Rates

(a.) Feature Packages

	Monthly Rate					
	Residence			Business		
	Min.	Max.	Actual	Min.	Max.	Actual
i. Total Package **	\$ .50	\$ 25.00	\$ 14.95	\$ .50	\$ 25.00	\$ 17.95 (TOTAL)
ii. Super Package***	\$ .50	\$ 25.00	\$ 9.95	\$ .50	\$ 25.00	\$ 12.95 (SPK2)
iii. Frontier Freedom Pack	\$ .50	\$ 25.00	\$ 15.50		N/A	(FFP1)
iv. Frontier Savers Pack	\$ .50	\$ 25.00	\$ 9.95		N/A	(SAVEP)
v. Frontier Choices Package	\$ .50	\$ 25.00	\$ 17.95	\$ .50	\$ 25.00	\$ 17.95 (CHOIC)

\*\* Total Package is not available to new subscribers after April 10, 1998. The package remains available to current customers with Total Package until such time that they discontinue the package.

\*\*\* Super Package is not available to new subscribers after July 15, 1998. The package remains available to current customers with the Super Package until such time that they discontinue the package.

Issued By: Richard Burgess,  
General Manager

Date Issued: October 20, 2000

Effective: \_\_\_\_\_

Frontier Communications of the South, Inc.  
11/20/00 Rate Increase  
Florida Revenue Impact

10/25/2000

<u>Feature</u>	<u>No. of Customers</u>	<u>Price Increase</u>	<u>Annual Revenue</u>
Call Trace (per activation)	12	\$2.00	\$24.00

This rate increase is made to bring the Florida exchanges into parity with the Alabama exchanges of the Company where these rate increases will also be taking place.