BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed tariff filing to)
revise PulseLink tariff by SOUTHERN)
BELL TELEPHONE AND TELEGRAPH COMPANY)

DOCKET NO. 900647-TL ORDER NO. 23892 ISSUED: 12-17-90

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman THOMAS M. BEARD BETTY EASLEY GERALD L. GUNTER FRANK S. MESSERSMITH

ORDER APPROVING TARIFF

BY THE COMMISSION:

On June 20, 1990, Southern Bell Telephone and Telegraph Company (Southern Bell or Company) filed revisions to its PulseLink Public Packet Switching Network Service tariff adding access ports for two new protocols, unbundling three rate elements, and combining the Network Utilization Rate Element (NURE).

First, the Company proposes to offer two new protocols, X.32 and Systems Network Architecture/Synchronous Data Link Control (SNA/SDLC). In general, protocols are the rules which govern the transfer of information. Protocols govern the format, timing and other aspects of the flow of data through the network. protocol access ports which Southern Bell is proposing act as interfaces between the customer premises equipment (CPE) and the PulseLink packet network. The proposed X.32 protocol access port provides for synchronous dial-in access to the PulseLink network. This protocol is beneficial to small users who want synchronous transmission for use with personal computers and fax machines. The second protocol access port that Southern Bell proposes is the SNA/SDLC. This protocol is used for information transfer over a dedicated data communications channel. The SNA/SDLC protocol access port will allow two customer locations to communicate where both use the SNA/SDLC protocol, or where one location uses SNA/SDLC and the other uses X.25 or X.75 protocols.

Protocol conversion is the process of converting from one protocol to another. Low level protocol conversion includes those protocol functions that do not manipulate the content of the data beyond that which is necessary for transparent transmission of that data. By Order No. 20828, issued March 1, 1989, we determined that

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such low level protocol conversion was, at least in part, an intrastate service subject to our jurisdiction. Accordingly, we ordered Southern Bell to file tariff revisions to provide protocol conversion, such as that which would be required for communication between different access ports, on a regulated intrastate basis. In addition, by Order no. 21447, issued June 26, 1989, we also voted to stay the effect of our decision to require protocol conversion tariffs pending final disposition of the FCC jurisdictional dispute. That stay remains in effect.

Regarding the access ports that Southern Bell is proposing, use of the X.32 requires no protocol conversion since X.32 is itself a "packet" protocol. Thus, the X.32 is not enhanced as that term is defined by the FCC. But, because the SNA/SDLC access ports will allow communication where one location uses SNA/SDLC protocol and the other location uses X.25 or X.75 access ports, protocol conversion is required and is considered enhanced. It is that process of connection of two different protocols that constitutes protocol conversion. However, this is low level protocol conversion because the conversion that takes place does not change the nature of the data being sent from one location to another. Rather, the SNA/SDLC to X.25 or X.75 conversion is simply the set of instructions to the receiving computer to establish a link and reassemble the incoming bits of data into packets.

Southern Bell also proposes, in this filing, to unbundle three features that are currently available on the PulseLink network, and to begin charging for them. These features are as follows:

<u>Call Redirection</u> allows a customer to designate an alternate network address if the original terminating address is unavailable at the time of transmission.

The <u>Closed User Group</u> feature allows a number of PulseLink users to communicate with each other but they cannot gain access to, nor can they be accessed by, users outside the group.

The <u>Multiple Line Hunt Group</u> feature allows incoming calls to be distributed over designated access lines.

These features are currently bundled as part of the PulseLink Network offering. The Company proposes to unbundle these features in response to requests by Enhanced Services providers. However,

the demand for these features is extremely limited, with currently only one subscriber to one feature, and none to the other two.

Finally, Southern Bell proposes to eliminate the NURE that the FCC originally required be included in the PulseLink Service offering. The NURE is currently assessed only to vendors who market and enhance PulseLink, but is not assessed to basic-service-only users. The NURE was intended to mitigate the impact of protocol conversion cost on the basic-service-only user by compelling the users of protocol processing to pay more of the revenue requirement for PulseLink via the NURE. The FCC has eliminated its requirement for a separate rate element for network utilization, thus Southern Bell would consolidate the NURE charges with the basic transport elements. This change is revenue neutral because all current users take enhanced services; thus all customers are paying the NURE. Combining the NURE with the transport charges will have no effect on existing customers.

Overall, approval of the two proposed protocol access ports to be added to the PulseLInk offering will result in a net revenue increase of approximately \$68,000 in the first year. There will be no revenue or customer effect with the feature unbundling or with consolidation of the NURE with the transport charges. We believe that this filing is appropriate and, therefore, approve Southern Bell's tariff revisions, effective December 9, 1990.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Southern Bell Telephone and Telegraph Company's request to modify the PulseLink Service tariff by adding access ports for two new protocols, unbundling three rate elements, and combining the Network Utilization Rate Element, is hereby approved, effective December 9, 1990. It is further

ORDERED that this docket be closed if no protest is filed in accordance with the requirement set forth below.

By ORDER of the Florida Public Service Commission, this 17th day of DECEMBER 1990

Division of Records and Reporting

(SEAL)

PAK

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 January 7, 1991

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 sewer 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.