## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed tariff filing to eliminate time-of-day discounts on Feature Group B for SOUTHERN BELL ) ORDER NO. 24583
TELEPHONE AND TELEGRAPH COMPANY and QUINCY TELEPHONE COMPANY | ISSUED: 5/28/91

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman J. TERRY DEASON GERALD L. GUNTER MICHAEL McK. WILSON

## ORDER APPROVING TARIFF

BY THE COMMISSION:

On March 11, 1991, Southern Bell Telephone and Telegraph Company (Southern Bell or the Company) filed revisions to its Access Service Tariff proposing to eliminate time-of-day discounts on originating Feature Group B (FGB) access service. The Company seeks to offset related revenue increases through reduction to Feature Group D (FGD) Carrier Common Line (CCL) rates. This filing was also submitted on behalf of Quincy Telephone Company (Quincy), which concurs in the Southern Bell Access Tariff and also seeks to eliminate FGB access time-of-day discounts. Southern Bell asserts that the elimination of time-of-day discounts on FGB originating access service will effectively increase the price for that service. Thus, incentives for end users to purchase FGB access as a substitute for discount toll services, such as WATS or 800 services, would decrease. Additionally, in accordance with Order No. 19758, issued August 3, 1988, AT&T of the Southern States, Inc. (ATT-C) must flow through to end users the proposed decrease in originating CCL Feature Group D access rates.

Generally, the purchase of access tariff services is restricted to interexchange carriers (IXCs). However, by Order No. 24386, issued April 18, 1991, we approved the purchase of Southern Bell's FGB access on an experimental basis by a customer other than an IXC. By that Order, we allowed Storefinder, Inc., a wholly owned subsidiary of Domino's Pizza, Inc., to participate in an experimental offering by Southern Bell of FGB access for the purpose of routing customers' local calls placed over a nationwide "local" access number - in the format of 950-XXXX - to the pizza store nearest the customer's premises. In this case, FGB access

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offers customers the advantage of a universal local access number, which requires only 7-digit dialing.

Southern Bell believes that this experimental service offering will be successful and will lead to more opportunities for the Company to package FGB access for purchase by non-IXC customers. However, Southern Bell is concerned that since the price for the access service is considerably less than the Company's current toll rates, FGB access service may attract toll customers who are not interested in the local number advantage of FGB, but simply want to take advantage of the lower rates. Thus, the Company intends to eliminate the incentive customers may have to bypass toll services by minimizing the price differential between FGB and FGD.

Therefore, we believe that the elimination of time-of-day discounts for originating FGB access service by the local exchange companies (LECs) is an appropriate method to reduce the incentive for end users to bypass LEC toll services, and hereby approve this tariff filing. We also find that the revenue effect shall be addressed by decreases in access charges to originating CCL FGD access rates, since a reduction in these rates will neutralize the impact of the elimination of FGB time-of-day discounts on the IXCs which purchase access from the Company. Additionally, ATT-C shall flow through the Feature Group D Carrier Common Line access rate reductions by reducing its rates for toll services, in conjunction with its next rate adjustment.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Southern Bell Telephone and Telegraph Company's tariff filing to eliminate time-of-day discounts on originating Feature Group B access service and to offset related revenue increases through reductions to its Feature Group D Carrier Common Line access rates is hereby approved. It is further

ORDERED that this tariff revision shall also be effective for Quincy Telephone Company. It is further

ORDERED that AT&T of the Southern States, Inc. shall be required to flow through the Feature Group D Carrier Common Line access revenue reductions by reducing its rates for toll services in conjunction with its next rate adjustment. It is further

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ORDERED that this tariff shall have an effective date of May 10, 1991. It is further

ORDERED that if a protest is filed in accordance with the requirement set forth below, the tariff shall remain in effect with revenues held subject to refund pending resolution of the protest. It is further

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

By ORDER of the Florida Public Service Commission, this 28th day of MAY ,1991 .

STRUE TRIBBLE Director

Division of Records and Reporting

(SEAL)

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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.

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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, provided 25-22.036(4), as by Rule Administrative Code, the form provided by in 25-22.036(7)(a)(d) and (e), Florida Administrative Code. 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 \_\_\_\_JUNE 17. 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.