

FLORIDA PUBLIC SERVICE COMMISSION

**Fletcher Building
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Tallahassee, Florida 32399-0850**

M E M O R A N D U M

August 15, 1991

TO : DIRECTOR, DIVISION OF RECORDS AND REPORTING

FROM : DIVISION OF COMMUNICATIONS [MORTON, LONG] *Handwritten initials: M, L, J, K*
DIVISION OF LEGAL SERVICES [KURLIN, HATCH] *Handwritten initials: K, H, J, P, K*

**RE : DOCKET NO.: 910838-TL - PROPOSED TARIFF FILING TO
PROVIDE TRUNK SIDE ACCESS, UNIFORM ACCESS NUMBER,
AUTOMATIC NUMBER IDENTIFICATION, CUSTOM SERVICE AREA,
AND CALL DETAIL INFORMATION AS OPEN NETWORK
ARCHITECTURE OFFERINGS BY SOUTHERN BELL TELEPHONE AND
TELEGRAPH COMPANY (T-91-297 filed June 24, 1991)**

**AGENDA: AUGUST 27, 1991 -- CONTROVERSIAL -- PARTIES MAY
PARTICIPATE**

CRITICAL DATES: 60 DAYS WAIVED

SPECIAL INSTRUCTIONS: NONE

CASE BACKGROUND

DN 880423-TL was a generic investigation concerning the provision and network interconnection of information services. In that docket, the Commission defined information services as those services offered over communication transmission facilities, and which provide the subscriber additional, different, or restructured information; or those which involve subscriber interaction with stored information. Hearings addressed the potential for development of information services in Florida and the appropriate interconnection and regulatory policies. Order No. 21815 was issued September 5, 1989 setting forth the Commission's decisions on the various issues. Order No. 23183 on Reconsideration was subsequently issued on July 13, 1990 disposing of specific matters raised by the parties concerning Order No. 21815.

In those orders Southern Bell was required to file tariffs to offer various features and functions (termed Basic Service Elements (BSEs), Complementary Network Services (CNSs), and

DOCUMENT NUMBER-DATE

08232 AUG 15 1991

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DISCUSSION OF ISSUES

ISSUE 1: Should Southern Bell's filing to introduce Trunk Side Access, Uniform Access Number, Automatic Number Identification, Custom Service Area, and Call Detail Information services, as part of their ONA offerings, be approved?

RECOMMENDATION: Yes, Southern Bell's filing should be approved effective September 2, 1991. Information on these ONA offerings should be included in the required quarterly reports. Additionally, the Company should include in its quarterly reports any developments in per-call blocking provisions for ANI. Finally, the Company should maintain an accurate list of all UAN customers for review by the Commission staff or any law enforcement agency.

STAFF ANALYSIS: With this filing, Southern Bell (SBT) is proposing to offer several new or newly unbundled network services in its General Subscriber Services tariff. Staff recommends that this filing be approved.

In DN 880423-TL, the Company filed tariffs to provide these as well as several other ONA offerings. In that filing, the Commission approved all the offerings except Automatic Number Identification (ANI). ANI was denied on the basis that it should not be approved before the privacy issues in the Caller ID docket were resolved. Southern Bell subsequently refiled the ONA offerings without ANI as well as without several other associated features. Those have gone into effect. In this filing, SBT has resubmitted tariffs to offer ANI and the other remaining elements for approval. The proposed offerings are identical to those in the prior filing.

According to the Company, these features have been identified as desirable by the Enhanced Service Provider industry. They are described below:

1. **Trunk Side Access Facility** - This offering provides trunk side termination into a Telephone Operator Position System (TOPS) tandem. Trunk side access is required, according to SBT, if a customer wants Automatic Number Identification (ANI). This offering is similar to other trunk side terminating facilities except that it would terminate solely at a TOPS tandem for the express purpose of providing ANI. SBT proposes

DOCKET NO. 910838-TL
August 15, 1991

ancillary services) that have been requested as Open Network Architecture (ONA) offerings. Some of the features that they subsequently filed were approved in that docket. The Company has now filed to offer the remaining features that have not yet received approval.

to offer the Trunk Side Access Facility for single Voice Grade facilities, MegaLink Channel Service, and LightGate Service. The Company proposes to charge the same rate for the trunk side access as it does for the equivalent line side access. However, subscribers will also be charged interoffice mileage if their serving end office and the TOPS tandem are not collocated.

2. Uniform Access Number (UAN) - UAN provides a uniform LATA-wide seven digit number with either a 440 or 930 prefix (NXX) that can be used within the BellSouth region. The 440 NXX is to be used by subscribers who want coverage in some or all of the BellSouth LATAs, and the 930 NXX is to be used by subscribers who want coverage within Southern Bell LATAs only. This number, (e.g., 440-XXXX) could be used by subscribers, such as Domino's, who desire to have a single number available over a broad region that appears to be local to their customers. It could also be used by Information Services providers such as Value Added Networks (VANs), packet networks, videotext providers and telemarketing providers.

According to SBT, current technical limitations require subscription to UAN in order to obtain any of the three other features that are also being submitted with this filing. These features, Automatic Number Identification, Custom Service Area, and Call Detail Information, are discussed individually below.

In the filing, SBT also states that UAN may be cross elastic with 800 Services. The two services are similar from the perspective that each provides a single, area-wide number at which the subscriber can be reached. The difference is that 800 Service numbers appear to be toll whereas UAN appears to be local. In both cases, the subscriber is on the terminating end of each call and will also pay the long distance charges. 800 Service rates are approximately \$9 to \$14 per hour. UAN subscribers on the other hand, will pay regular MTS rates, when applicable. In addition to the MTS rates, SBT also proposes to charge \$.06 per UAN number delivered in addition to other monthly recurring and nonrecurring charges. The proposed usage rate reflects a 3.6% contribution.

3. Automatic Number Identification (ANI) - ANI will

deliver the calling station's billing number to the called party (the ANI subscriber). According to the Company, it will be useful to Gateway Services, voice messaging services, pay-per-view, alarm and security services, and telemarketing services. ANI is perceived as one of the most desirable of the ONA offerings. In order to receive ANI, according to SBT, subscription to both UAN and Trunk Side Access (discussed above) is required. ANI has traditionally only been provided to Feature Group D subscribers on a bundled basis with other features, and was only used for billing purposes on usage-rated calls. ANI was therefore routed primarily through switched access tandems. LEC operators, however, require ANI on operator-handled calls in order to bill the appropriate operator charges. Operator calls are therefore routed to TOPS tandem offices with ANI for this purpose. For its ANI offering, SBT is utilizing the existing TOPS tandem architecture to make ANI available to end users. The ANI will be forwarded over dedicated TOPS trunks established between each end office and the TOPS tandem.

Since 7-digit calls are not normally routed via the TOPS tandem, the unique NXX (930 or 440) is used to route the call from the originating end office over the TOPS network to the TOPS tandem, where the call is translated and forwarded with ANI to the ANI subscriber's location. Without the pre-specified NXX, 7-digit calls would never go to the TOPS tandem, the ANI would never accompany the call, and the ANI subscriber would never receive it. The ANI subscriber must therefore obtain that number by subscribing to UAN.

SBT proposes to charge \$.015 for ANI, per number delivered, which reflects a contribution level of 400%. The Company noted, as a point of comparison, that this rate is equivalent to that charged by ATT in its 800 Megacom Service, where ANI is priced at \$.01 - \$.02 per call depending on volumes.

4. Custom Service Area (CSA) - CSA allows subscribers to limit their market coverage by blocking calls from specified central offices. This feature would thus allow a subscriber to define a specific geographical area from which to receive calls. Callers in excluded

areas would receive an intercept message. As noted above, the Company proposes that anyone wishing to subscribe to CSA be required to have a Uniform Access Number. The same routing required to pass ANI information is required to block calls from specified central offices. CSA would only be needed by UAN subscribers. The proposed CSA rate is \$1.50 per month per end office blocked.

5. Call Detail Information - This feature will provide a detailed monthly record of terminating traffic to the UAN subscriber. SBT proposes a substantial nonrecurring charge, a flat monthly charge of \$85, and a \$.005 charge per call. This feature also requires a Uniform Access Number, in order to obtain the appropriate call detail.

There is no ideal answer to the problems with calling number delivery through ANI and the per-call blocking provisions outlined in the Caller ID docket. ANI is not provisioned over the SS7 network for this service, and no per-call blocking provisions can be made. However, staff believes that the peculiar nature of this service and the expensive rate structure will limit the potential customers to a few at most. This service will be closer to the now-available, high-volume 800 services that deliver ANI to end users (staff is aware of no complaints to date from ANI delivery on 800 calls). Staff believes the choice is clear: either allow the service to be implemented while keeping track of each customer, or wait indefinitely for the development of a technology (blocking ANI) for which there are no current plans for development. Staff believes that a record of each customer for this service available for review by staff or any law enforcement agency could help curtail any abuses by unscrupulous firms.

Southern Bell submitted projected demand and revenue information, Long Run Incremental Resource Cost data, and descriptions of each of the offerings listed above. The Company noted that some of these are new offerings; several are currently available only in conjunction with other offerings, and are proposed to be made available now on a stand-alone basis.

Neither staff nor the Company can verify whether the services the Company has proposed to offer, the rates they have proposed to charge, or the demand and revenue estimates they have provided are accurate until after the tariff has been in place for a sufficient amount of time to detect and analyze market

DOCKET NO. 910838-TL
August 15, 1991

response. We observe that the proposed rates amply cover the long run incremental costs as stated by the Company.

Staff recommends that this tariff be approved. In Order No. 21815, the Commission expressed a desire to encourage the development of information services in Florida. The order required that quarterly reports be filed by the LECs describing the requests for ONA-type offerings and features that they receive. The purpose of the reports was to gain further knowledge and understanding of the market, and to monitor its development. To date, no LEC has reported any requests for features and functions by information service providers. There has been controversy, to be sure, over some of the offerings that Southern Bell has provided. There will probably be more as markets develop and as Southern Bell and other LECs get more active in those markets.

It appears to staff that the best course of action to take at this point is to implement the tariffs and monitor the activity that ensues. We recommend therefore that Southern Bell's filing be approved effective September 2, 1991. We need to be informed of the success or lack thereof of the Company's ONA offerings. The Commission already requires that quarterly reports be provided containing information on subscription rates and the Company's plans for the new ONA offerings. Staff recommends that, if approved, these latest offerings be included in the information filed in the quarterly reports.

DOCKET NO. 910838-TL
August 15, 1991

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, this docket should be closed after the normal protest period.

STAFF ANALYSIS: If staff's recommendation in Issue 1 is approved, then this docket can be closed after parties have had an opportunity to protest. Pending any protests, revenues should be held subject to refund. Reports can be filed and monitoring can take place independently or under a new docket if that becomes necessary.