BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: AT&T COMMUNICATIONS OF THE)
SOUTHERN STATES' tariff filing to adjust)
the rates for ProWATS Florida and)
AllProWATS in Florida.

DOCKET NO. 911178-TI ORDER NO. 25706 ISSUED: 2-10-92

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK J. TERRY DEASON BETTY EASLEY

ORDER APPROVING TARIFF FILING

BY THE COMMISSION:

AT&T Communications of the Southern States, Inc. (ATT-C) submitted this proposed tariff filing to adjust the rates for ProWATS Florida and AllProWATS in Florida. AT&T has requested that these rate changes go into effect January 8, 1992.

May 3, 1990, in a step to increase the competitive nature of the two services, ATT-C adjusted the discount for ProWATS Florida from 15% to 20%, and for AllProWATS in Florida from 10% to 15%, effective June 2, 1990. At that time, billing for these plans was performed by the local exchange companies (LECs). To minimize the costs charged by the LECs to ATT-C for performing this service, ATT-C did not include a unique pricing plan for these two services. The LECs simply totaled the MTS-rated minutes of use by a customer and then applied the appropriate discount. Consequently, the easiest way to implement a rate change was to change the discount. During 1991, ATT-C developed its own internal billing capability enabling it to establish usage sensitive rates and to bill at subminute intervals.

On March 1, 1991, the Company filed a tariff for AllProWATS in Florida proposing a stand alone rate schedule, sub-minute timing of calls, volume discounts, simplified rates, and a seamless pricing structure with ATT-C's interstate tariff. These changes were requested only for AllProWATS in Florida. ATT-C states that this was done deliberately to make AllProWATS in Florida more attractive than ProWATS Florida. ATT-C's analysis of the low-end business market, the target of these services, indicated that there are considerably more customers subscribing to AllProWATS in Florida than are subscribing to ProWATS Florida. ATT-C would like to increase the apparent attractiveness of AllProWATS and encourage even more ProWATS customers to migrate to AllProWATS.

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The previously approved increase in the discount for ProWATS Florida, however, caused an inadvertent reduction in the cap. The Company prefers to lower the cap only by flowing through a change in access charges. Therefore, this tariff filing decreases the discount from 20% to the original 15% to reestablish the prior cap. This change will provide the Company an estimated increase in annual revenues of \$490,000.

For AllProWATS in Florida, ATT-C is requesting that the day rate be decreased and the off-peak rate be increased. In addition, the Company is proposing that the day volume discount be reduced from 21% to 20% for customers having usage volumes exceeding \$2,000. The Company estimates a reduction in annual revenues of \$385,000. This is due to the usage characteristics and the specific time of day rate that is being changed. Day rates apply to a greater volume of calls than the off-peak rates. The Company states that, despite the decrease in day rates, the revenues derived from the service cover the cost of providing it.

The Company has stated that customers currently enrolled in ProWATS Florida wishing to move over to AllProWATS will be able to do so without being levied the nonrecurring charge. ATT-C has also stated that customers will be notified of any rate changes for these services prior to those changes going into effect. Therefore, we find it appropriate to approve tariff filing by ATT-C to change the rates for ProWATS Florida and AllProWATS in Florida.

If no protest is timely filed within the time period set forth below, this docket shall be closed.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that AT&T Communications of the Southern States, Inc.'s tariff filing to adjust the rates for ProWATS Florida and AllProWATS in Florida is hereby approved. It is further

ORDERED that, if a timely protest is filed pursuant to the requirements set forth below, all increased revenues resulting from this filing shall be held subject to refund. It is further

ORDERED that if no protest is received within the time frame set forth below, this docket shall be closed.

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By ORDER of the Florida Public Service Commission, this 10th day of February , 1992 .

STEVE TRIBBLE Director
Division of Records and Reporting

(SEAL)

SFS

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 provided Florida by Rule 25-22.036(4), proceeding, as form provided Rule Administrative Code, in the 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 ____

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.

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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.