Southern Bell

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July 17, 1992



FPSC-RECORDS / REPORTING

Mr. Steve C. Tribble Director, Division of Records and Reporting Florida Public Service Commission 101 East Gaines Street Tallahassee, Florida 32301

Re: Docket No. 920260-TL - Rate Stabilization

Dear Mr. Tribble:

Enclosed please find an original and fifteen copies of Corrected Page 4 of Southern Bell Telephone and Telegraph Company's Petition for Order Adopting Plan for Alternative Method of Regulation, which we ask that you file in the captioned docket. This Petition was previously filed on July 15, 1992, and Southern Bell has since discovered a typographical on Page 4.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. ACK <u>Copies</u> have been served to the parties shown on the attached AFA <u>3</u> Certificate of Service.

APP CAF ____ CMIT CTR _____Enclosures EAG All Parties of Record cc: LEG L A. M. Lombardo LIM R. Douglas Lackey OPC _____ RCH ____ **RECEIVED & FILED** SEC WAS _____ OTH _____ FPSC-BUREAU OF RECORDS

Sincerely yours, Harris R. Anthony DJ

> 00001MENT NUMBER-DATE 07787 JUL 17_ 1992

FPSC-RECORDS/REPORTING

CERTIFICATE OF SERVICE Docket No. 920260-TL

Valencius I HEREBY CERTIFY that a copy of the foregoing has been , 1992 furnished by United States Mail this 17 day of Jul to:

Robin Norton Division of Communications Florida Public Service Commission 101 East Gaines Street Tallahassee, FL 32399-0866

Angela Green Division of Legal Services Florida Public Svc. Commission 101 East Gaines Street Tallahassee, FL 32399-0863

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would be an increase of one percent (five percent minus four percent minus zero). If, on the other hand, inflation were three percent, Southern Bell would decrease its aggregate prices by one percent.

7. In addition to this aggregate pricing rule, Southern Bell proposes specific guidelines for adjustments in the prices of individual services. These would allow the rates for certain "basic" services to change no more than 5% a year while allowing greater changes in "non-basic" services. Basic services would be those generally required to provide essential local exchange services to an end user and would include offerings such as residence and business access services, service connection charges, and switched access to an interexchange carrier. All other services would be classified as non-basic.³

8. Southern Bell also proposes that increases and decreases in prices would occur through a less cumbersome, more streamlined process than the tariffing process that currently exists. Specifically, all price increases necessary to maintain aggregate prices at or below the adjusted PRI would be filed, along with associated tariffs, on May 1 of each year. These price changes would go into effect on 60 days' notice. Additional tariff filings could be submitted throughout the year, provided that aggregate prices remain at or below the PRI. These tariffs would be

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³ A list of the service and pricing rules are set forth in Mr. Lombardo's testimony. In addition, the testimony states how the PRI will provide for the treatment of new services, restructured services and detariffed or proprietary services under the plan.