

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Proposed tariff filing) DOCKET NO. 930338-TL
to introduce commercial quality)
video service in the private)
line service tariff by BELLSOUTH)
TELECOMMUNICATIONS, INC. d/b/a)
SOUTHERN BELL TELEPHONE AND)
TELEGRAPH COMPANY)

In Re: Proposed tariff filing) DOCKET NO. 930339-TL
to introduce commercial quality) ORDER NO. PSC-93-0855-FOF-TL
video service in the special) ISSUED: June 8, 1993
access tariff by BELLSOUTH)
TELECOMMUNICATIONS, INC. d/b/a)
SOUTHERN BELL TELEPHONE AND)
TELEGRAPH COMPANY)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
THOMAS M. BEARD
SUSAN F. CLARK
JULIA L. JOHNSON
LUIS J. LAUREDO

ORDER APPROVING TARIFF FILINGS

BY THE COMMISSION:

On March 22, 1993, BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell or the Company) filed tariff revisions proposing to introduce Commercial Quality Video Service in both the private line tariff and the special access tariff. Commercial Quality Video service is a full motion, high quality video service comparable to broadcast quality but with less stringent technical parameters. The service, as contained in this filing, provides for a one-way point-to-point video channel transporting a monochrome or color video signal and two associated audio signals, thereby allowing for two-way audio. Unlike broadcast quality video, Commercial Quality Video service does not have any network-type programming capabilities, nor does it have to adhere to the airwave frequency parameters that govern broadcast video. The transmission of this service will be over analog fiber. The customer will provide the necessary video equipment and monitor in order to use the service.

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There are two configurations of Commercial Quality Video service proposed: Single Channel Video System and Multiple Channel Video System. Single Channel Video provides the customer with one video channel between two customer premises, and would be available on a monthly or daily basis. Multiple Channel video is also provided between two customer locations, but it could provide a maximum of 16 channels on a monthly basis. Different rates and charges apply for the two configurations, however, the rate structure proposed for these services is the same as most private line services.

Single Channel and Multiple Channel Video Systems are structured with Local Channels and Interoffice Channels. The Local Channels are the loops to the customer locations; the Interoffice Channels consist of fiber cable between the central offices and channel terminations at both offices.

The Single Channel configuration is available to customers who require one video signal between two end locations. Two Local Channels are required for each video transmission, with the direction of the signal designated by a Transmit Local Channel at one end and a Receive Local Channel at the other. An example of a customer using the Single Channel configuration would be one branch office of a bank holding a teleconference with another branch office. The limitation of the Single Channel service is that the two banks can only hold one teleconference at a time. The Interoffice Channel is available in four mileage bands, ranging from one through fifty miles. It is available with monthly or daily rates. The monthly rates for a Single Channel configuration are as follows:

Local Channel - Transmit	\$350
Local Channel - Receive	\$350
Interoffice Channel (fixed)	\$110
Interoffice Channel (per mile)	\$ 80

The non-recurring charges for the above configuration are as follows:

Local Channel - Transmit	\$285
Local Channel - Receive	\$285
Interoffice Channel (fixed, 1-4 miles)	\$315
Interoffice Channel (fixed, 5+ miles)	\$335

For occasional use, daily rates are available subject to a three day minimum. The daily recurring rates are approximately one-third of the monthly rates; the daily non-recurring rates are approximately the same as monthly rates.

The Multiple Channel configuration is available for customers who require several video signals in the same direction and between the same two end locations. Multiple Channel Video can provide a minimum of one video channel and a maximum of sixteen channels. To continue the example from the Single Channel, the Multiple Channel configuration would allow the banks to hold several different teleconferences; up to the sixteen channel capacity. Multiple Channel rates are available on a monthly basis only. The monthly charges for the Multiple Channel configuration are as follows:

Local Channel - Transmit (per system)	\$700
Local Channel - Receive (per system)	\$700
Local Channel - Transmit (per video channel)	\$105
Local Channel - Receive (per video channel)	\$105
Interoffice Channel (fixed)	\$ 30
Interoffice Channel (per mile)	\$120

The non-recurring charges for the above configuration are as follows:

Local Channel - Transmit (per system)	\$475
Local Channel - Receive (per system)	\$475
Local Channel - Transmit (per video channel)	\$140
Local Channel - Receive (per video channel)	\$140
Interoffice Channel (fixed) (1-4 miles)	\$315
Interoffice Channel (fixed) (5+ miles)	\$335

Commercial Quality Video service is only available where suitable facilities already exist. If special construction of facilities is necessary, special construction charges would apply. Charges are developed on a individual cost basis.

Southern Bell's cost study indicates that the rates proposed for this service appear to cover their incremental cost. There are no costs to Southern Bell associated with this service unless a customer actually uses it. Rates for this service were determined by multiplying the Company's broadcast video rates, offered in their interstate tariff, by a factor of 70%. The daily and monthly recurring rates appear to provide substantial contribution.

Southern Bell has proposed an identical tariff in the special access tariff. The configurations for special access Commercial Quality Video service are the same as in the private line tariff. Because special access is billed on the Customer Automated Billing System (CABS) and private line is not, minor additional software costs are required. Therefore, Southern Bell has proposed higher non-recurring charges than those in private line. However, the rate differences appear to be minimal. The monthly and daily recurring charges are equal to those in private line.

Southern Bell's cost data indicates that the rates proposed for this service appear to cover their incremental cost. The daily and monthly recurring rates should provide a significant contribution. There are no costs to Southern Bell unless a customer orders the service.

We believe that the proposed tariffs are appropriate. Commercial Quality Video service will offer customers an alternative to broadcast quality video. Additionally, it appears that the proposed rates will cover the cost of providing the service as well as provide significant contribution. Accordingly, we hereby approve the tariffs. However, we also direct Southern Bell to file semi-annual reports containing actual demand and revenue generated by this service for a two year period from the effective date of the tariffs.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company's tariff proposing to introduce Commercial Quality Video in the private line tariff is hereby approved, effective May 18, 1993. It is further

ORDERED that BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company's tariff proposing to introduce Commercial Quality Video in the special access tariff is hereby approved, effective May 18, 1993. It is further

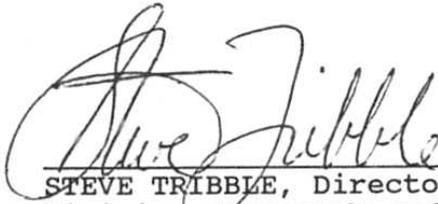
ORDERED that Southern Bell shall file semi-annual reports containing actual demand and revenue generated by this service for a period of two years after these tariffs go into effect. It is further

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ORDERED that if a protest is filed in accordance with the requirement set forth below, the tariffs shall remain in effect with any increase in 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, Dockets Nos. 930338-TL and 930339-TL shall be closed.

By ORDER of the Florida Public Service Commission this 8th day of June, 1993.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

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

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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 June 29, 1993.

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 wastewater 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.