BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NO. 950629-TL NO. PSC-95-0882-FOF-TL US July 19, 1995

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

ORDER APPROVING TARIFF

BY THE COMMISSION:

On May 4, 1995, GTE Florida Incorporated (GTEFL or the Company) filed a tariff to discontinue assessing the network access change charge (NACC) associated with all intraLATA (local access transport area) optional calling plans (OCP) offered by the Company. The NACC is a nonrecurring charge which applies on an individual order basis and is applicable for receiving, recording, and processing a customer's order for a change. The proposed tariff would delete NACC charges applicable to the Company's two intraLATA toll OCPs: Suncoast Preferred and Value Pak. Currently, GTEFL assesses \$11.00 to residential customers and \$14.00 to business customers for adding or changing OCPs. GTEFL intends to render the NACC "not applicable" for changes to or from an OCP.

GTEFL asserts that the NACC is actually a barrier to entry for Florida residential and business customers, who would otherwise take advantage of the discounts offered by these OCPs. The Company also contends that deletion of the NACC is necessary to meet existing competition in the intraLATA toll market. GTEFL reasons that interexchange carriers (IXCs) offer customers OCPs which incorporate discounts for both intraLATA and interLATA toll without assessing any nonrecurring charges. Therefore, the Company claims to be at a disadvantage by assessing the NACC for changes or additions to OCPs while its competitors do not.

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We approved GTEFL's promotional offering to waive the NACC for its Suncoast Preferred intraLATA optional calling plan. See Order No. 24362, issued April 15, 1991. GTEFL ran the same promotion twice this year, and the Company has not received revenue from this charge for most of 1995.

GTEFL contends that the contribution received from its intraLATA customers who use OCPs more than offsets the cost to add or change OCPs for its customers. We believe that a much larger number of service additions or changes than what GTEFL currently performs would have to occur before the total cost to perform those service additions or changes would exceed the contribution received from the OCPs.

Should 1+ intraLATA presubscription be implemented, GTEFL will be competing with IXCs which can provide OCPs that combine intraLATA and interLATA toll calls without any NACC type charges. Deleting the NACC will provide savings to GTEFL's customers and will allow the Company to be more competitive. Accordingly, we approve GTEFL's proposed tariff to delete the network access change charge for optional calling plans in its General Services tariff as filed.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that GTE Florida Incorporated's tariff to delete the Network Access Change Charge associated with all intraLATA optional calling plans in its General Services tariff is hereby approved with an effective date of July 3, 1995. It is further

ORDERED that if a protest is filed in accordance with the requirements set forth below, the tariff 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 requirements set forth below, this docket shall be closed.

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By ORDER of the Florida Public Service Commission, this $\underline{19th}$ day of \underline{July} , $\underline{1995}$.

BLANCA S. BAYÓ, Director

Division of Records and Reporting

(SEAL)

DLC

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, provided by Rule 25-22.036(4), as Florida Administrative Code, in the form provided 25-22.036(7)(a)(d) and (e), Florida Administrative Code. petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on August 9, 1995.

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 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.