BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval of) DOCKET NO. 951201-TL
tariff filing to establish) ORDER NO. PSC-95-1534-FOF-TL
MetroLAN DS-1 Central Office) ISSUED: December 12, 1995
Connect by GTE Florida)
Incorporated. (T-95-616 filed)
9/25/95)

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 TO OFFER METROLAN DS-1 CENTRAL OFFICE CONNECT, METROLAN CONNECTION FOR ISDN PRI, AND TO FSTABLISH A NONRECURRING CHARGE FOR SERVICE ACTIVATION

BY THE COMMISSION:

On August 31, 1994, GTE Florida Incorporated (GTEFL) filed a proposed tariff to introduce MetroLAN service. MetroLAN is a group of high speed fiber optic based services that provide connectivity at and transport between two or more customer designated locations (CDLs) served by one or more serving wire centers (SWCs) connected to one or more of GTEFL's fiber optic systems. We approved the proposed tariffs by Order No. PSC-94-1394-FOF-TL, issued November 15, 1994.

There are four MetroLAN options: MetroLAN DS-1 service; MetroLAN DS-3 service; MetroLAN Ethernet service; and MetroLAN Token Ring service. DS-1 service has a transmission bit rate of 1.544 Megabits per second (Mbps). DS-3 service has a transmission bit rate of 44.736 Mbps. Ethernet service provides local access network (LAN) to LAN interconnection at 10 Mbps with data transmission at native speed and native protocol. Token Ring service provides LAN to LAN interconnection with data rates of 4 Mbps or 16 Mbps and data transmission at native speed and native protocol. Ethernet and Token Ring services both utilize an OC-3 connection.

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Three rate elements - MetroLAN Connect, MetroLAN Transport, and MetroLAN Service Activation - apply to the four MetroLAN services. The MetroLAN Connect element provides the basic platform for customer access to the MetroLAN fiber optic system, provides the Network Node at the point of demarcation at the CDL and provides the fiber optic link between the CDL and the SWC. The MetroLAN Transport element provides for flat rated interoffice transport between SWCs. The MetroLAN Service Activation element provides the ability to terminate the network signal at the Network Node at the CDL and to convert that signal for the customer's use.

On September 25, 1995, GTEFL filed a proposed tariff to offer MetroLAN DS-1 Central Office Connect, MetroLAN Connection for ISDN Primary Rate Interface (PRI), and to establish a nonrecurring charge for MetroLAN service activiation.

MetroLAN DS-1 Central Office Connect

Under the current tariff, MetroLAN customers have the option of using either the MetroLAN DS-3 Connect or MetroLAN OC-3 Connect to access MetroLAN service. The Company is proposing to expand the methods of access to include MetroLAN DS-1 Central Office (CO) Connect. MetroLAN DS-1 CO Connect allows the customer access to the MetroLAN via a conventional DS-1 private line access.

MetroLAN Connection for ISDN PRI

ISDN PRI is a 1.544 Mbps facility which can be used to connect digital private branch exchanges (PBXs) or other channel controlling devices to switched and private line networks. The filing allows MetroLAN customers having a DS-3 or OC-3 MetroLAN Connect element to use their MetroLAN connection for ISDN-PRI via the tariffed MetroLAN Service Activation. In other words, a customer can use a portion of their DS-3 or OC-3 bandwidth to provide ISDN PRI connectivity between their PBXs and the switched public network or a private line network. The DS-1 Service Activation element would be applied when terminating the DS-1 signal at the Network Node at the customer's designated location.

Establishment of Nonrecurring Charge

GTEFL's filing also establishes a new nonrecurring charge of \$130.00 for MetroLAN service activation. This charge is designed to recover engineering and installation costs associated with

service activation. GTEFL does not currently charge for service activation.

Impact on Customers

DS-1 CO Connect will be marketed to prospective MetroLAN customers whose multiple locations are serviced by single private lines. GTEFL estimates that ten percent of current MetroLAN customers will require DS-1 CO Connect. The capability to use DS-3 or OC-3 Connect for ISDN PRI connectivity is being targeted to customers that currently subscribe to the MetroLAN DS-3 Connect or MetroLAN OC-3 Connect element.

GTEFL is proposing a nonrecurring charge of \$130.00 for the activation of additional services. It also proposes a monthly rate of \$60.00 for DS-1 CO Connect. The monthly service activation charge for ISDN PRI capability will be \$50.00 per month under a three-year contract; \$45.00 per month under a five-year contract; and \$40.00 per month under a seven-year contract. These are the same contract rates that are applied to other DS-1 services activated under the current MetroLAN tariff.

Impact on the Company

Our review of GTEFL's cost studies indicates that GTEFL's estimated nonrecurring cost for service activation and recurring cost for DS-1 Central Office Connect are covered by the respective proposed rates. The Company's proposed recurring charge for activating ISDN PRI also covers its estimated recurring costs.

Based upon the discussion above, we find it appropriate to approve GTEFL's proposed tariff, effective November 24, 1995.

It is, therefore,

ORDERED by the Florida Public Service Commission that GTE Florida Incorporated's proposed tariff to offer MetroLAN DS-1 Central Office Connect, MetroLAN Connection for ISDN PRI, and to establish a nonrecurring charge for service activation is approved, effective November 24, 1995. It is further

ORDERED that if a protest is filed in the form and by the date specified in the Notice of Further Proceedings or Judicial Review, this tariff shall remain in effect, with any increase in revenues held subject to refund pending resolution of the protest. If no timely protest is filed, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this <u>12th</u> day of <u>December</u>, <u>1995</u>.

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BLANCA S. BAYÓ, Director Division of Records and Reporting

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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 25-22.036(7)(a)(d) and (e), Florida Administrative Code. This 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 January 2, 1996.

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.