

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of
tariff filing to add new service
for advanced digital service by
Northeast Florida Telephone
Company, Inc. (T-97-0870 filed
8/15/97)

DOCKET NO. 971080-TL
ORDER NO. PSC-97-1123-FOF-TL
ISSUED: September 25, 1997

The following Commissioners participated in the disposition of
this matter:

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

ORDER APPROVING TARIFF

BY THE COMMISSION:

On August 15, 1997, Northeast Florida Telephone Company, Inc., (Northeast Florida) filed a proposed tariff to add Advanced Digital Services-Primary Rate Interface Access Service (ADS-PRI) effective September 14, 1997, pursuant to Rule 25-4.214, Florida Administrative Code. Northeast Florida requests approval of this tariff filing to meet the demands of the competitive marketplace. The company believes ADS-PRI will enable it to continue to provide rural and business customers with the most advanced telecommunications services available.

ADS-PRI is supported by Integrated Services Digital Network (ISDN) architecture and provides a DS1 (1.544 Megabits per second (Mbps)) access link to the telecommunications network. It also integrates multiple voice and data transmission channels on the same line. ADS-PRI has 23 B-channels and one D-channel, each with 64 kilobits per second (Kbps) capacity. The B-channels carry information (data, video, voice), whereas the D-channel carries signaling. ADS-PRI offers digital clear signaling, fast call

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setup/teardown, and automatic number identification delivery on its D-channel as advantages over the analog T1 mode of transmission.

Northeast Florida proposes to offer ADS-PRI at the rates and charges in Section A19.1.8 of its General Subscriber Service Tariff. The company has provided a comprehensive cost study for ADS-PRI and it has also surveyed the rates and charges assessed by other local exchange companies within the industry to ensure that its proposed rates are comparable. Upon review of the data provided, including Northeast Florida's "Cost of Service Analysis" and "1996 Earnings Surveillance Report," we find that the additional revenue generated by the offering of ADS-PRI will increase Northeast Florida's return on equity by approximately 0.20% in 1997 and 0.65% in 1998. We do not believe that this will cause the company to overearn. If the additional revenue incurred by the provision of this service results in overearnings, that eventuality would be jurisdictional because Northeast Florida is a rate-of-return regulated local exchange carrier.

We find that Northeast Florida's proposed tariff to offer ADS-PRI is appropriate and in the public interest, and we, therefore, approve it, effective September 14, 1997.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Northeast Florida Telephone Company, Inc.'s proposed tariff, as more fully described in the body of this Order, is approved, effective September 14, 1997. It is further

ORDERED that if a protest is filed within 21 days from the date of this Order, the tariff shall remain in effect with the revenues held subject to refund pending resolution of the protest. It is further

ORDERED that if no timely protest is filed, this docket shall be closed.

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By ORDER of the Florida Public Service Commission this 25th
day of September, 1997.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

By: Kay Flynn
Kay Flynn, Chief
Bureau of Records

(S E A L)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

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 October 16, 1997.

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.