

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed tariff filing to add)
offerings for telecommunication devices)
for the deaf (TDD) users and lower rates))
by SOUTHERN BELL TELEPHONE AND TELEGRAPH)
COMPANY)

DOCKET NO. 910805-TL

ORDER NO. 25152

ISSUED: 10/01/91

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
SUSAN F. CLARK
J. TERRY DEASON
BETTY EASLEY
MICHAEL MCK. WILSON

ORDER APPROVING TARIFF PROPOSAL

BY THE COMMISSION:

On June 26, 1991, Southern Bell Telephone and Telegraph Company (Southern Bell or the Company) filed revisions to its General Subscriber Services Tariff to add new offerings for Telecommunication Devices for the Deaf (TDD) users. A TDD is a typewriter-like piece of equipment whereby a hearing impaired person can communicate with another person. Southern Bell currently offers the Portable Communications Terminal (PCT) to its hearing and speech impaired customers. The PCT is an older piece of technology and the Company plans to replace the PCT with the UltraTec #200 and the UltraTec #400, which use a more advanced technology.

The new products being introduced by Southern Bell through this filing are as follows:

- (1) UltraTec Telecommunications Device for the Deaf #200
- (2) UltraTec Telecommunications Device for the Deaf #400
- (3) Walker Volume Control Handset
- (4) Walker Clarity Volume Control Telephone Set
- (5) Tel-Ease Telephone

The UltraTec Telecommunications Device for the Deaf #200 is the same as the previously tariffed PCT except that the new equipment has an enhanced software package which includes a voice announcer, 8K memory, and a nine message buffer. The PCT has only a 2K memory and a one message buffer.

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The UltraTec Telecommunications Device for the Deaf #400 is a small, lightweight, and portable TDD with both visual and printing capabilities. It can be connected to the telephone network to transmit a "conversation" to another person with a TDD. "Conversations" can be viewed on the screen, as well as printed on a paper tape. This equipment includes an answering machine with remote message retrieval capability and the other enhancements mentioned above with the new TDD #200.

The Walker Volume Control Handset is a handset through which a hearing impaired person can control listening volume. This handset is compatible with both electric and electronic telephone sets.

The Walker Clarity Volume Control Telephone Set is hearing-aid adaptable and has volume/clarity control in the handset for the hearing impaired. It also has a visual/tone ringer for the hearing impaired.

The Tel-Ease Telephone set has volume control in the handset for the hearing impaired, a visual/tone ringer for the hearing impaired, and large button touchtone pads for the visually impaired.

The Company proposes to offer this new equipment through its Special Assistance Bureau currently located in Florida. Customers will be able to reach this bureau toll-free by calling (800) 257-5400 (voice) or (800) 432-4169 (TDD). The representative will assist customers with inquires about the equipment and answer any additional questions. The equipment will be provided to customers at cost with no rate of return on investment, consistent with Order No. 13906. The equipment may be purchased for a one-time payment price or with a thirty-six month installment payment plan, or the equipment can be leased on a month-to-month basis. The price of the month-to-month option is slightly higher than the monthly installment plan due to maintenance, capital cost, and installation and removal of equipment factors.

We have reviewed the sale price rate, the 36 month installment plan rate, and the month-to-month lease rate, as well as their respective proposed costs. Southern Bell's cost study for the five products is similar to previous sale and lease studies. Southern Bell used a long run incremental cost methodology to develop the cost for the TDD equipment. Long run incremental cost is usually

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used by Southern Bell for developing rate elements. Incremental costs, in this instance, reflect the cost that will be incurred to provide the service. We find this study to be appropriate for this filing.

In addition to offering new equipment, Southern Bell's filing also reduces the installment payment and the monthly lease rates for the PCT. Since the PCT is no longer available from the vendor, the Company proposes to obsolete the service (not allow any new customers to subscribe, but allow existing customers to keep the service) effective August 28, 1991, and to totally eliminate the service effective September 1, 1994. The service would be discontinued when all current subscribers have completed their installment payments.

Currently, there are 314 customers subscribing to the PCT: 156 customers on the 36 month installment plan and 158 customers on the month-to-month lease plan. Customers would continue to subscribe to the month-to-month lease option until September 1, 1994, when the Company proposes to eliminate the service. Customers on the installment option would complete their installment plans at the reduced rates. Currently, customers are paying \$375.82 for the outright sale of the PCT; \$10.44 per month for the 36 month installment plan, and \$10.96 for the monthly lease option, plus a \$9.38 non-recurring charge. Under the Company's proposal, these rates would decrease and the customer would pay \$9.40 per month for the installment plan and \$9.97 per month for the lease plan. After the service becomes obsolete, no new customers will be able to subscribe or to purchase the old equipment.

Upon consideration, we find this tariff proposal to be reasonable and appropriate. The equipment will be provided at cost, consistent with Order No. 13906. Southern Bell's tariff proposal shall be approved as filed, effective September 16, 1991. The Company shall notify affected customers that the PCT will become obsolete, with an anticipated elimination date of September 1, 1994.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Southern Bell Telephone and Telegraph Company's tariff proposal to add offerings for telecommunications devices for the deaf (TDD) users

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and to lower rates (T-91-311) filed June 28, 1991, is hereby approved effective September 16, 1991. It is further

ORDERED that this docket shall be closed if no protest is filed in accordance with the requirements set forth below.

By ORDER of the Florida Public Service Commission, this 1st day of OCTOBER, 1991.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

ABG

by: Kay Flynn
Chief, Bureau of Records

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

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Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on 10/22/91

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 sewer 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.

MEMORANDUM

October 1, 1991

TO: DIVISION OF RECORDS AND REPORTING
FROM: DIVISION OF LEGAL SERVICES (GREEN)
RE: DOCKET NO. 910805-TL

Handwritten initials: JH, TR

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Attached is an ORDER APPROVING TARIFF PROPOSAL in the above-referenced docket, which is ready to be issued.

ABG/mgf
Attachment
cc: Division of Communications

*protests
due 10/32/91*

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