BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed tariff to introduce 19.2 and 64 kilobits per second (Kbps) services to the Digital Data Access Service (DDAS) tariff by SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY.

DOCKET NO. 911099-TL

ORDER NO. 25534

ISSUED: 12/26/91

The following Commissioners participated in the disposition of this matter:

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

ORDER APPROVING TARIFF TO INTRODUCE

19.2 AND 64 KILOBITS PER SECOND SERVICES
TO THE DIGITAL DATA ACCESS SERVICE TARIFF

BY THE COMMISSION:

On October 5, 1991, Southern Bell Telephone and Telegraph Company (Southern Bell or the Company) filed a tariff proposal to introduce 19.2 and 64 kilobits per second (Kbps) services to the Digital Data Access Service (DDAS) tariff. Special access service is normally used to provide a transmission path to directly connect an interexchange carrier (IXC) terminal location to the end user's premises; to connect IXC terminal locations; the connection of an IXC terminal and a company hub, or a hub and an end user's premises. Special access service includes all exchange access not utilizing Company end office switches.

The new data speeds will be added to the DDAS and High Capacity sections of the Special Access Services Tariff. These services consist of:

- (1) DDAS, or a channel for four-wire transmission of synchronous serial data at one of the Company's six data transmission rates;
- (2) High Capacity Service, or transmission systems for channels of high capacity at the DS3, DS1, and/or multiple DSO (64 Kbps) equivalents.

The Company's Revenue Summary indicates that the new service offerings should result in an increase in revenues of \$588,616.80, and an increase in costs of \$568,252.63.

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The new Access Service offerings reflect the effects of cross elasticity between some existing and the new data speeds. It is also important that the Revenue Summary indicates that recurring revenues for the DDAS service do not cover recurring costs, resulting in a negative contribution of \$5,403.84 on the proposed services. However, what is more important is the fact that the new services offer a slight improvement in contribution of \$245.59 over the present DDAS offerings.

The Company states that the reason some of the DDAS rate elements do not cover costs is due to our decision in the Private Line/Special Access Restructure filing. That proceeding granted the Company the authority to increase rates to insure that costs were covered, and provide some contribution, however, the rates were to be implemented on a phase-in basis to avoid increasing customers' bills too dramatically. The rates are to be phased in annually, over a three-year period, with the second phase to become effective January 16, 1992, and the final phase on January 16, 1993, after which costs would be recovered.

We find it appropriate to approve the tariff proposal. In doing so, we note that the proposal increases the customers' options while maintaining a high level of contribution for the combined offerings.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the tariff filing by Southern Bell Telephone and Telegraph Company proposing to introduce 19.2 and 64 kilobits per second services to the Digital Data Access Service tariff is hereby approved. It is further

ORDERED that any protest of this Order shall be filed pursuant to the requirements set forth below. It is further

ORDERED that this tariff proposal shall become effective December 4, 1991. It is further

ORDERED that if an affected party files a timely protest, this tariff shall remain in effect pending resolution of the protest. It is further

ORDERED that if no timely protest is filed, this docket shall be closed at the end of the protest period.

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By ORDER of the Florida Public Service Commission, this 26th day of ______DECEMBER ______, 1991 ___.

STEVE TRIBBLE, Director Division of Records and Reporting

(SEAL)

JKA

by: Kay Jews Chilef, 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.

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

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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.