

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval of) DOCKET NO. 931246-TL
tariff filing to reduce selected) ORDER NO. PSC-94-0241-FOF-TL
service elements of Integrated) ISSUED: March 3, 1994
Services Digital Network-Primary)
Rate Interface offering by GTE)
FLORIDA INCORPORATED (T-93-733)
FILED 12/21/93)
_____)

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK
JULIA L. JOHNSON
LUIS J. LAUREDO

ORDER APPROVING TARIFF FILING

BY THE COMMISSION:

I. BACKGROUND

On December 21, 1993 GTE Florida Incorporated (GTEFL) filed a tariff to reduce current monthly rates for three of the rate elements for Integrated Services Digital Network Primary Rate Interface (ISDN-PRI). Conceptually, ISDN-PRI is an information pipeline that provides end-to-end digital transmission for simultaneous data and voice traffic. ISDN-PRI is comprised of a 23B+D channel configuration. The "B" channels provide the pathways for voice and data transmission while the "D" channel provides call setups. Both the "B" and "D" channels have transmission rates of 64 kilobits per second(kbps).

The rate elements for which reductions are sought are the Tie Line Channel, IC Services Channel, and PRI Access. These rate elements are developed on a banded rate basis. Banded rates provide a minimum and maximum tariffed rate for a service. The Company is proposing that the rates for PRI Access, Tie Channel, and IC Services be reduced to the minimum tariffed rate.

PRI Access provides for the switch termination of the PRI facility. This is the point in the central office where the PRI interface facility or "pipeline" from the customer's premises connects with the central office switch. A PRI Access element is

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required with each interface facility. The PRI Access provides 23 individual "B" channels and one "D" channel.

Tie Channels provide a dedicated connection between two customer switching points or between ISDN-PRI central offices that connect customer switching points. A customer switching point is a customer premise switching device such as a PBX or a CentraNet/Basic Rate Interface customer group.

IC Services allow a customer to specify the dedication of "B" channels to compatible services of an interexchange carrier. This allows an ISDN-PRI customer's interexchange carrier to transport interstate or intrastate long distance ISDN traffic to and from the customer's ISDN-PRI serving central office. The interexchange carrier would be required to purchase the appropriate DS1 facility from the GTEFL's intrastate or interstate access tariff.

The Company is proposing to reduce the monthly PRI Access rate from \$550.00 to \$350.00; the monthly Tie Channel rate from \$20.00 to \$10.00; and the monthly IC Services rate from \$30.00 to \$25.00. These proposed reductions are within the current authorized bands. The Company is proposing to reduce the rates to the minimum level allowed in the tariff. We note that the lower portion of the band is set above the incremental cost for each rate element.

The rate reductions will reduce revenues generated by the rate elements by approximately \$38,600 annually. There are currently fourteen lines subscribed to PRI Access. There are no lines subscribed to either the IC Services or Tie Channel rate elements.

GTEFL states that the tariff was filed in response to competition from alternative access vendors (AAVs) in the provision of ISDN-PRI services. Competition, according to the Company, occurs when AAVs provide a T1 facility from a customer's premises to an IXC's point of presence. This arrangement bypasses GTEFL's local exchange network.

Upon consideration, we find that the tariff should be approved. The proposed rates appear to cover the Company's estimated costs and current customers will benefit from a reduction in rates for these elements. While we can make no judgement regarding the level of competition the company is experiencing, the price reductions will allow the company to better compete in the data transport market.

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Based on the foregoing, it is

ORDERED by the Florida Public Service Commission the tariff filed by GTE Florida Incorporated to reduce current monthly rates for three of the rate elements for Integrated Services Digital Network Primary Rate Interface is approved as set forth in the body of this Order. It is further

ORDERED that the tariff shall be effective on February 19, 1994. It is further

ORDERED that if no timely protest is filed according to the requirements set forth below, this docket should be closed. If a timely protest is filed, this tariff should remain in effect with any increase held subject to refund pending resolution of the protest.

By ORDER of the Florida Public Service Commission, this 3rd day of March, 1994.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

TH

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

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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 at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on March 24, 1994.

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.