BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed tariff filing to revise) Selective Class of Call Screening service) by SOUTHERN BELL TELEPHONE AND TELEGRAPH) COMPANY. DOCKET NO. 910542-TL ORDER NO. 24846

ISSUED: 7/25/91

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman J. TERRY DEASON BETTY EASLEY GERALD L. GUNTER MICHAEL MCK. WILSON

ORDER APPROVING PROPOSED TARIFF FILING

BY THE COMMISSION:

Southern Bell Telephone and Telegraph Company (Southern Bell or the Company) filed revisions to its General Subscriber Service Tariff on February 15, 1991. The purpose of the filing was to modify to the Company's Selective Class of Call Screening service.

Selective Class of Call Screening (SCCS) is a service that allows a customer to screen and block all 1+ and 10XXX-1+ calls from being originated from her access line. This prevents the end user from dialing a long distance call directly with the bill going to the originating number. SCCS will also screen calls so that only operator assisted (0+ and 10XXX-0+) and credit card calls charged to another account or number will be passed, again preventing the end user from charging calls to the originating number. This allows customers such as hotels and hospitals to prevent unauthorized toll traffic over on-premises station lines, yet allows customers on those lines to make long distance calls if they charge them to a credit card, etc. This differs from another Southern Bell offering, Customized Code Restrictions, which has the capability to block 0+ and 1+ calls together, but does not allow 1+ calls to be blocked while 0+ calls are completed.

Presently, SCCS is offered by Southern Bell only to business customers and involves a very high nonrecurring charge (\$375.25), a \$3.30 monthly charge, and an early termination charge of \$350.00. Southern Bell is proposing to restructure the service to allow residential and small business customers to subscribe to it.

Southern Bell used a direct, forward looking incremental cost study for this service. The costs calculated by the Company

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amounted to \$0.09/line/month for residential and business access lines and \$0.90/trunk/month for PBX trunks and ESSX NARs. The costs were developed using much of the same information derived from 976 and 900 blocking services, as the functions performed are quite similar (1+976 and 1+900 blocking are also included in SCCS).

This study supported the proposed rates, which in turn created a large discrepancy between the present and proposed nonrecurring (\$275.25 vs. \$9.00/\$12.50) and early termination (\$350.00 vs. \$0) charges. SCCS has been tariffed for several years (well before divestiture) and the costs developed for the original service incorporated nondigital switch technology and a higher degree of operator involvement. Technology advances in recent years have enabled this service to become almost totally software-driven and have significantly reduced its cost.

The cost method used in this filing appears appropriate. Incremental costs are generally accepted for discretionary services such as this and the estimated contribution levels should be able to withstand a wide fluctuation in actual demand.

Based on our analysis, this filing appears to be appropriate. The rate charged to existing customers (currently only PBX and ESSX customers) will not change and the reduction in the nonrecurring charges will enable customers such as timeshare or condominium owners to lease out their premises without fear of large telephone bills and without restricting the end user/occupant from charging calls to another account, as is done with Customized Code restrictions.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Southern Bell Telephone and Telegraph Company's tariff filing proposing changes to the Company's Selective Class of Call Screening as outlined in the body of this Order is hereby approved. It is further

ORDERED that the effective date of this filing shall be May 27, 1991. It is further

ORDERED that any protest of this order shall be filed pursuant to the requirements set forth below. It is further ORDER NO. 24846 DOCKET NO. 910542-TL PAGE 3

ORDERED that if a protest is timely filed pursuant to the requirements set forth below, this tariff filing shall remain in effect, with all increased revenue held subject to refund, pending resolution of the protest. It is further

ORDERED that if no protest is filed in a timely manner pursuant to the requirements set forth below, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 25th day of ______, 1991.

STEVE TRIBBLE Director Division of Records and Reporting

(SEAL)

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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 Code, provided by form Rule Administrative in the 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,

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Florida 32399-0870, by the close of business on 8/15/91

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.