BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Proposed tariff filing to introduce AT&T 800 Plan K for offering by AT&T COMMUNICATIONS OF THE SOUTHERN STATES, INC. DOCKET NO. 910872-TI ORDER NO. 25131 ISSUED: 9/27/91

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 FILING

BY THE COMMISSION:

AT&T Communications of the Southern States, Inc. (the Company, or ATT-C) submitted a proposed tariff to introduce a new service called AT&T 800 Plan K (Plan K) as an add-on to the same service now being proposed in the interstate jurisdiction. <u>Interstate</u> AT&T 800 Plan K will go into effect on September 18, 1991, assuming the FCC does not oppose it.

Plan K is a switched service which permits 800 number calling from stations located in the state of Florida to a station associated with a customer's local exchange telephone line. That is, a subscriber's access line for Plan K is the same line as her local exchange line. A customer may select the area codes from which calls will be accepted.

The hourly rate for Plan K is \$18.90. The Company proposes no time-of-day or volume discounts for the service. The service is expected to attract small business customers with between \$20 and \$50 in monthly usage. ATT-C estimates 1000 customers during the first year with estimated revenues of \$322,000.

The lack of discounts for this service is distinct from the Company's similar 800 services, such as AT&T Readyline (Readyline) and AT&T 800 Plan E (Plan E). Additionally, the Plan K rate is higher than the rates for the aforementioned 800 services. All three of these 800 services are provisioned over common lines rather than dedicated lines. These services provide a cost benefit

DOCUMENT NUMBER-DATE

09632 SEP 27 1991

FPSC-RECORDS/REPORTING

ORDER NO. 25131 DOCKET NO. 910872-TI PAGE 2

to customers who wish to avoid the expense associated with private line 800 service. Besides featuring different rates, the three plans differ in two other ways. First, the plans have different target markets. Readyline and Plan E are targeted for large businesses, whereas Plan K is targeted for small businesses. Second, Plan E aggregates traffic volume from multiple stations onto a single bill, while Plan K and Readyline do not.

ATT-C maintains that the proposed rates exceed the costs of the service. The per minute equivalent rate for Plan K is \$.315, compared to the rates for LEC daytime premium access in the state, which ranges from \$.1318 (Southern Bell) to \$.23033 (Florala). Thus, proposed rates for Plan K exceed the cost of LEC access, as is required by this Commission.

We find that this service will allow the Company to provide a competitive response to changes taking place within the 800 interexchange market. The offering will provide small business customers with a service that is less costly because it is switched, rather than dedicated.

Upon consideration we approve the tariff filing by ATT-C to introduce AT&T 800 Plan K to become effective September 18, 1991. If a timely protest is filed, this tariff shall remain in effect with any revenues held subject to refund pending resolution of the protest. If no timely protest is filed, this docket shall be closed.

Based upon the foregoing it is

ORDERED by the Florida Public Service Commission that the tariff filing by AT&T Communications of the Southern States to introduce AT&T 800 Plan K is hereby approved with an effective date of September 18, 1991. It is further

ORDERED that if a timely protest is filed this tariff shall remain in effect with any revenues held subject to refund pending resolution of the protest. If no timely protest is filed, this docket shall be closed. ORDER NO. 25131 DOCKET NO. 910872-TI PAGE 3

By ORDER of the Florida Public Service Commission, this <u>27th</u> day of <u>SEPTEMBER</u>, <u>1991</u>.

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 provided 25-22.036(4), proceeding, Rule Florida as by provided Rule Administrative Code, in form by 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, Florida 32399-0870, by the close of business on <u>10/18/91</u>

In the absence of such a petition, this Order shall become final on the day subsequent to the above date. ORDER NO. 25131 DOCKET NO. 910872-TI PAGE 4

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

September 26, 1991

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (MURPHY) Com

RE: DOCKET NO. 910872-TI

25131

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

CWM/mgf Attachment cc: Division of Communications

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DOCUMENT NUMBER-DATE 09632 SEP 27 1991 FPSC-RECORDS/REPORTING