BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed tariff filing to) DOCK introduce Multi-Service Volume Pricing) Plan for Accunet T1.5 and Dataphone) ORDE Digital Services by AT&T COMMUNICATIONS) OF THE SOUTHERN STATES.) ISSUE

DOCKET NO. 911042-TI

ORDER NO. 25498

ISSUED:

12/17/91

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. (ATT-C) introduced the Multi-Service Volume Pricing Plan (MSVPP) for ACCUNET Spectrum of Digital Services (ASDS) in November, 1990. MSVPP was proposed as an alternative to regular monthly rates for ASDS. By committing to a minimum monthly expenditure for a specific time period the customer is given a discount off the amount charged for this level of capacity. As time and/or dollar commitments increase so does the level of discount. The discounts range from a 4% discount for a one year \$3,000 minimum monthly revenue commitment, the shortest time-lowest revenue commitment, to 14% for a five year \$150,000 minimum monthly revenue commitment, the longest period-highest revenue commitment.

When the MSVPP was initially offered, it was available for ASDS only. ATT-C NOW proposes to make it available for ACCUNET T1.5 and DATAPHONE Digital Services as well. The discount schedule applicable to ASDS is also applicable to ACCUNET T1.5. The discount schedule for DATAPHONE Digital Services offers discounts ranging from 5% for a minimum dollar level with a 1 year time frame to 29% for the highest dollar commitment with a 5 year time frame.

ATT-C states that one DATAPHONE customer has expressed interest in the service while 10 ACCUNET T1.5 customers will be eligible for the service, although the take rate for either service is not certain. However, should these potential customers take advantage of the offering, ATT-C estimates that ACCUNET T1.5 revenues will be reduced by \$103,000 and DATAPHONE Digital services revenues will be reduced by \$47,000.

We believe the proposal to include ACCUNET T1.5 and DATAPHONE Digital Services under the MSVPP is appropriate due to the small

12416 DEC 17 1981

ORDER NO. 25498 DOCKET NO. 911042-TI PAGE 2

number and concentration of customers in this market as well as these customers' technical sophistication. In addition, the reduction in rates benefits the customers. Finally, ATT-C states the reduced rates cover costs. Therefore, we find it appropriate to approve this portion of ATT-C's tariff proposal.

ATT-C is also proposing that the discounts for DATAPHONE be increased from 4% to 5% for the lowest level commitment and that the longest-highest revenue commitment be increased to 29% from the previous 15%. While the discounts are being substantially increased, ATT-C states that these services are still priced over cost. ATT-C states that they are increasing the discount level in response to competitive pressures and that the dollar impact will be a negative \$47,000. Again, given the small number of customers and the potential customer benefits of reduced rates, we find it appropriate to approve ATT-C's proposal to increase the discounts for the MSVPP.

ATT-C has also proposed the offering of Network Protection Capability (NPC) which is a service that provides protection from interoffice channel connection (IOC) failures. The protection is provided in combination with switching capabilities and the provision of a terrestrial digital protection channel in addition to a working channel. Should the working channel become incapacitated, switching to a separately routed terrestrial digital protection channel is automatically performed.

ATT-C has stated that the proposed rates for both the full and partial configuration of NPC cover costs. Therefore, we find it appropriate to approve the NPC offering.

This filing also proposes to reduce the interoffice channel (IOC) rates. These rates are currently based on a fixed rate and mileage charges. Monthly Plan rates are comprised of a fixed charge and a per mile charge. There are three mileage bands: 1 to 50 miles, 51 to 100 miles, and 101+ miles. While no change would be made to mileage bands, both the fixed monthly rate and the per mile rate would be reduced. ATT-C states that the reduction will have a negative impact of \$386,000, but will not result in the services being priced below cost. Because customers will benefit from the reduction in rates, we find it appropriate to approve the reduction in the IOC Monthly Plan rates.

At the conclusion of the protest period, if no protest is filed, this docket shall be closed.

Based on the foregoing, it is, therefore,

ORDER NO. 25498 DOCKET NO. 911042-TI PAGE 3

ORDERED by the Florida Public Service Commission that AT&T Communications of the Southern States, Inc.'s tariff filing to introduce the Multi-Service Volume Pricing Plan for ACCUNET T1.5 and DATAPHONE Digital Services is hereby approved. It is further

ORDERED that AT&T Communications of the Southern States, Inc.'s proposed changes to the discounts for DATAPHONE are hereby approved. It is further

ORDERED that AT&T Communications of the Southern States, Inc.'s tariff offering of Network Protection Capability is hereby approved. It is further

ORDERED that AT&T Communications of the Southern States, Inc.'s proposed reduction in its interoffice channel charge is hereby approved. It is further

ORDERED that if a timely protest is filed pursuant to the requirements set forth below, all increased revenues resulting from this filing shall be held subject to refund. It is further

ORDERED that if no protest is received within the time frame set forth below, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 17th day of DECEMBER , 1991 .

STEVE TRIBBLE Director

Division of Records and Reporting

(SEAL)

SFS .

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

ORDER NO. 25498 DOCKET NO. 911042-TI PAGE 4

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 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.