BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed tariff filing) DOCKET NO. to introduce MegaLink Integrated) ORDER NO. P Service Digital Network and make) ISSUED: 02 text changes by BELLSOUTH) TELECOMMUNICATIONS, INC. d/b/a) SOUTHERN BELL TELEPHONE AND) TELEGRAPH COMPANY

DOCKET NO. 921232-TL ORDER NO. PSC-93-0179-FOF-TL ISSUED: 02/08/93

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman THOMAS M. BEARD SUSAN F. CLARK JULIA L. JOHNSON LUIS J. LAUREDO

ORDER APPROVING TARIFF

BY THE COMMISSION:

On November 25, 1992, BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell or the Company) filed tariff revisions proposing to introduce MegaLink Integrated Services Digital Network (ISDN), an intraLATA telecommunications service, and Network Access Service, a usage based pricing option for network exchange access services. Southern Bell's proposal is in response to the business sector's demand for high speed, flexible, integrated data service.

MegaLink ISDN

MegaLink ISDN is similar to a huge information pipeline that provides end-to-end digital communications and a full integration of technologies (circuit switching, private line, packet switching, etc.) and applications (voice, data, image) over existing twistedpair wiring. This offering is similar to GTE Florida Incorporated's (GTEFL's) Primary Rate Interface (PRI) service, approved by the Commission in Order No. PSC-92-0489-FOF-TL, issued June 10, 1992. A MegaLink subscriber, for example, can have a call placed while having computer information and video imaging sent over the same line. A subscriber without ISDN would need an access line for each type of information transmitted.

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The PRI has a 23 B+D format. This format is comprised of 23 B channels each with 64 kilobit per second (kbps) capacity and one D channel also with 64 kbps capacity. The B channels carry information, such as voice, data, and video, while the D channel conducts signaling. The advantage of PRI over the currently available T1 carrier transmission facility is the PRI's out-of-band signaling. Out-of-band signaling permits faster call setups and signal processing.

MegaLink's rate structure is comprised of the following rate elements:

a) <u>Primary Rate Access Line</u> - the facility along which ISDN PRI services will be transported. It is the communications path between a customer's physical location and the customer's serving central office.

b) <u>Interoffice Channels</u> - facilities that provide the communications path between the Company's central offices within a LATA.

c) <u>Primary Rate Interface</u> - provides multiplexing to support 23 B-channels and one D-channel.

d) <u>Primary Rate B-Channels</u> - provide circuit switched access to exchange and/or nonexchange based services that will allow either voice or data transmission at up to 64 kbps.

e) <u>Call-By-Call/Integrated Service Access Feature Capability</u> this feature allows the customer to determine the type of information the channels will transmit. The determination can also be made on a call by call basis.

f) <u>Network Access and Usage Charges</u> - exchange access will be provided through the use of Network Access Registers or proposed Network Access Services. Network Access Service is a billing option based on usage. The rates for this service include a fixed monthly charge plus usage charges incurred for outgoing local calls.

NETWORK ACCESS SERVICE:

Network Access Service (NAS) is a usage based pricing package used for establishing the rates charged for accessing the local

exchange network. Usage refers to the number of minutes of use. NAS is being introduced as an alternative to the currently tariffed Network Access Register (NAR) package.

The NAS package is comprised of the following: 1) a fixed monthly rate; and 2) a minimum usage package that includes local usage allowances, local usage charges, usage discounts, and a local usage cap. The Company is proposing a minimum usage charge of \$12.00, and a \$.02 rate per minute. The proposed local usage cap is \$30.00. A MegaLink ISDN customer has the option of using the NARs package for establishing rates for accessing the local exchange network.

Southern Bell estimates that total revenues from its MegaLink ISDN service will amount to \$4,643,576 over the next three years with costs totaling \$1,629,253 over the same time period.

The Company maintains that this offering will give customers an additional option in the provision of basic local exchange service. ISDN service provides quicker call set up as well as faster transmission of data. Southern Bell indicates that the service's initial customers will be those who use Private Branch Exchanges (PBXs). Large customers such as ESSX customers should benefit from the use of this service.

MegaLink ISDN services provides subscribers with another option for communications services. The Commission has previously approved communications services that use ISDN architecture for Southern Bell and GTEFL. Additionally, the proposed rates appear to cover the costs associated with providing the service, and provide adequate contribution. Accordingly, we hereby approve the tariff as filed, effective January 25, 1993.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company's tariff proposal introducing MegaLink ISDN and Network Access Services is hereby approved, effective January 25, 1993. It is further

ORDERED that if a protest is filed in accordance with the requirement set forth below, the tariff shall remain in effect with any increase in revenues held subject to refund pending resolution of the protest. It is further

ORDERED that if no protest is filed in accordance with the requirement set forth below, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 8th day of February, 1993.

STEVE TRIBBLE, Director Division of Records and Reporting

(SEAL)

PAK

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 Florida Rule 25-22.036(4), provided by proceeding, as provided by Rule the form Code, in Administrative 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 1, 1993.

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.