### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval of ) DOCKET NO. 950791-TL
tariff filing to add ) ORDER NO. PSC-95-1103-FOF-TL
nonrecurring charge waiver ) ISSUED: September 6, 1995
option to Mobile Service )
Provider (MSP) tariff and to )
allow the MSP to determine )
designated exchange by BellSouth )
Telecommunications, Inc. d/b/a )
Southern Bell Telephone and )
Telegraph Company. (T-95-391 )
filed 6/30/95) )

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman J. TERRY DEASON JOE GARCIA JULIA L. JOHNSON DIANE K. KIESLING

## ORDER APPROVING TARIFF

BY THE COMMISSION:

On June 30, 1995, BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company (SBT or Company) filed a tariff to add a nonrecurring charge waiver option to the Mobile Service Provider (MSP) tariff. Additionally, the tariff allows a MSP to provide the Company with the name of the desired designated exchange and the V&H coordinates for each dedicated NXX associated with a Type 2A/Type 2A-CCS7 interconnection.

#### Nonrecurring Charge Waiver Option

The nonrecurring charge waiver option would apply when a MSP converts from a Type 1 Interconnection to a Type 2A-CCS7 Interconnection and agrees to a minimum service period. The proposed tariff contains words stating that the Company will waive nonrecurring charges associated with re-homing existing DS1 facilities and moving dedicated NXXs when converting from a Type 1 Interconnection to a Type 2A-CCS7. Non-recurring facilities charges associated with the DS1 which are to be waived are the MegaLink Local Loop, Service Establishment, Premises Visit, Interoffice Channel, and Central Office Line Connection Charge.

> DOCUMENT NUMBER-DATE 08701 SEP-6 # FPSC-PECORDS/REPORTING

The total to be waived per DS1 would be \$1,397.00 The NXX establishment charge to be waived is currently \$4,800 per dedicated NXX. However, in Docket No. 940235-TL, the Commission is considering staff's recommendation that the NXX establishment charge be reduced to \$3,915.

To receive a waiver of nonrecurring charges, MSPs that are technically able to establish a connection to a Company tandem via Type 2A-CCS7 service must place an order for this conversion within 120 days of the effective date of this tariff, with implementation completed within six months of the request. MSPs that are not technically able to establish a connection must provide SBT with a letter of intent within 120 days of the effective date of the tariff.

If the MSP agrees to a 48 month minimum service period, 100% of the nonrecurring charges associated with re-homing existing DS1 transport facilities and moving dedicated NXXs will be waived. If the MSP agrees to a 24 month minimum service period, 50% of those nonrecurring charges will be waived. A termination charge will apply if the MSP disconnects the Type 2A-CCS7 service prior to the expiration of this minimum service period. The termination charge depends on the minimum service period chosen and will be equal to the number of months remaining in the minimum service period multiplied by the MSP's monthly facility rates for this service.

SBT states that the MSPs desire to convert from Type 1 Interconnection to Type 2A-CCS7 and SBT would like to encourage this movement by waiving the associated nonrecurring charges. SBT states that it will be in a better position to meet the future service needs of MSPs that interconnect with the Company via Common Channel Signaling using Signaling System 7 (CCS7).

SBT estimates that the total one-time revenue impact of waiving these nonrecurring charges is a revenue reduction of approximately \$692,000. This is based upon the current NXX establishment charge of \$4,800. Using the recommended NXX establishment charge of \$3,915 from Docket No. 940235-TL, the amount could be a reduction of \$615,000. SBT believes that the future revenue gains from being able to provide additional services that require CCS7 and the customer loyalty gains will more than offset this foregone revenue.

SBT states that there are no additional costs associated with the proposed nonrecurring charge waiver.

# Designated Exchange

The proposed tariff contains language to allow a MSP to provide SBT with the name of a desired designated exchange and the V&H coordinates for dedicated NXXs associated with a Type 2A/Type 2A-CCS7 interconnection.

The dedicated NXX physically resides within the MSP's switch on a Type 2A/Type 2A-CCS7 interconnection. The designated exchange and the V&H coordinates provided by the MSP will define how calls to this NXX will be rated (i.e., local versus toll). If the desired designated exchange for a dedicated NXX is different than the exchange where the MSP's Type 2A/Type 2A-CCS7 interconnection exists, it is called a virtual designated exchange.

A virtual designated exchange is only allowed when the chosen designated exchange meets the following criteria:

- it is a SBT exchange,
- is served by the same access tandem and within the same Numbering Plan Area (NPA) as the exchange where the MSP's Type 2A/Type 2A-CCS7 interconnection exists, and
- is in a different local calling area than the exchange where the MSP's interconnection exists.

SBT states that the MSPs would like to provide the name of the desired designated exchange and the V&H coordinates for dedicated NXXs associated with a Type 2A/Type 2A-CCS7 interconnection. This will allow MSPs to have a local presence in an area without having a point of termination in that area.

There is no revenue impact associated with this change. Regarding the expense impact, SBT states that allowing MSPs to have virtual designated exchanges for dedicated NXXs associated with a Type 2A/Type 2A-CCS7 interconnection will increase costs on some calls and reduce costs on some calls. As a result, SBT believes that the net cost effect of allowing this arrangement will be negligible.

We believe that both of the proposed tariff offerings are of benefit to SBT's MSP customers. The conversion to Type 2A-CCS7 interconnection will allow the MSPs to offer services to their customers that would otherwise not be available. The provision of CLASS services will produce revenues and contribution for SBT. The provision allowing the MSP to provide SBT with the name of the desired designated exchange and the V&H coordinates for dedicated

NXXs associated with a Type 2A/Type 2A-CCS7 interconnection is an enhancement to this service.

Based on the foregoing, we find that SBT's tariff filing to add a nonrecurring charge waiver option to the Mobile Service Provider tariff and to allow the MSP to provide the Company with the name of the desired designated exchange should be and is hereby approved as filed, effective August 29, 1995.

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 filing to add a nonrecurring charge waiver option to the Mobile Service Provider tariff and to allow the MSP to provide the Company with the name of the desired designated exchange should be and is hereby approved as filed, effective August 29, 1995. It is further

ORDERED that if a protest is filed in accordance with the requirements 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 requirements set forth below, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this <u>6th</u> day of <u>September</u>, <u>1995</u>.

BLANCA S. BAYÓ, Director Division of Records and Reporting

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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 by Rule proceeding, as 25-22.036(4), Florida Administrative Code, in the form provided bv 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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on September 27, 1995.

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.