FLORIDA PUBLIC SERVICE COMMISSION Capital Circle Office Center • 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

MEMORANDUM

FEBRUARY 6, 1997

TO : DIRECTOR, DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF COMMUNICATIONS [AMOU] [NO BOUND OF LEGAL SERVICES [STOVER] PORTS

RE : DOCKET NO. 970120-TL REQUEST FOR APPROVAL OF TARIFF

FILING TO INTRODUCE VISUAL MESSAGE WAITING INDICATION AND AUDIBLE MESSAGE WAITING INDICATION BY FRONTIER COMMUNICATIONS OF THE SOUTH, INC. (T-97-0046, FILED

1/17/97)

AGENDA: FEBRUARY 18, 1997- REGULAR AGENDA - TARIFF FILING -

INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: 30-DAY SUSPENSION DATE: WAIVED BY COMPANY

SPECIAL INSTRUCTIONS: I:\PSC\CMU\WP\970120.RCM

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission approve Frontier Communications of the South, Inc.'s tariff filing to introduce Visual Message Waiting Indication and Audible Message Waiting Indication in its Subscriber Services Tariff?

<u>RECOMMENDATION:</u> Yes, the Commission should approve Frontier Communications of the South, Inc.'s tariff filing to introduce Visual Message Waiting Indication and Audible Message Waiting Indication in its Subscriber Services Tariff.

STAFF ANALYSIS:

On January 17, 1997 Frontier Communications of the South, Inc. (Frontier or the Company) filed a tariff to introduce Visual Message Waiting Indication and Audible Message Waiting Indication in its Subscriber Services Tariff. While Visual Message Waiting Indication is offered as an enhancement to the Voice Mail service, Audible Message Waiting Indication is the current mode of message waiting indication, and it is being tariffed for the first time.

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Voice Mail is a deregulated service. However, Visual Message Waiting Indication and Audible Message Waiting Indication are central office functions that are offered through the switch; therefore, they are regulated enhancements. Visual Message Waiting Indication and Audible Message Waiting Indication are similar to custom calling features that are regulated like Call Waiting, Call Forwarding, Caller ID, etc.

Visual Message Waiting Indication

Until now, a customer that subscribes to the Voice Mail service receives a stutter dial tone when he/she picks up the receiver to make a call. This stutter dial tone notifies him/her of a waiting message in Voice Mail. With this filing, the Company is proposing to introduce Visual Message Waiting Indication (VMWI) to its customers who subscribe to Frontier's Voice Mail service. VMWI allows the customer to receive a visual signal that will light the message waiting indicator lamp on their station, thereby notifying the customer of a waiting message in Voice Mail.

Customers that wish to utilize this service must subscribe to Voice Mail and provide the customer premises equipment (CPE) needed to support this feature. VMWI is provided at a rate of \$.50 per month.

Audible Message Waiting Indication

Audible Message Waiting Indication (AMWI) is a feature that allows the customer to receive an audible signal (a stutter dial tone) when there is a waiting message in Voice Mail. Audible Message Waiting Indication is an existing service that is being tariffed for the first time. AMWI is presently offered at no charge to the customer. Currently, a customer that subscribes to the Voice Mail service is notified of a waiting voice mail message using a stutter dial tone when he/she picks up the receiver. If a Voice Mail customer decides not to acquire the new customer premises equipment to utilize the Visual Message Waiting Indication, this customer does not need to do anything in order to continue to receive Voice Mail service in its present form.

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Proposal's Impact on Customers

The Company's proposed addition will add value to its existing Voice Mail service. This addition will ensure that a customer no longer has to wonder if he/she has a waiting Voice Mail message; the customer needs to only look at his/her CPE to determine the presence of a waiting Voice Mail message. With the Visual Message Waiting Indication, the Company contends that the customer can better retrieve and respond to Voice Mail messages.

The Company is proposing to price Visual Message Waiting Indication such that it will not cost the customer any more than he/she is already paying for Voice Mail. This pricing balance has been achieved by pricing the VMWI for \$.50 per month and reducing the Voice Mail service by the same amount monthly. For the customer that does not utilize VMWI, his/her monthly charge for the Voice Mail service remains unchanged.

Proposal's Impact on the Company

The Company has not conducted a market trial for its Visual Message Waiting Indication; however, Frontier already offers Voice Mail service. The Company is introducing VMWI because of a recent switch upgrade that makes VMWI possible. The Company indicates that it will incur no cost in providing VMWI to its Voice Mail customers. Since the customer does not pay more to utilize Visual Message Waiting Indication, the customer is getting more value for his/her service, and the Company is getting a happy and satisfied customer in return. It is anticipated that this offering will have a revenue-neutral effect on the Company.

Recommendation

Staff recommends that the Commission approve Frontier's request to introduce Visual Message Waiting Indication and Audible Message Waiting Indication in its Subscriber Services Tariff. This offering enhances Frontier's Voice Mail service, thereby providing its customers with more value.

DOCKET NO. 970120-TL DATE: February 6, 1997 ISSUE 2: Should this docket be closed? RECOMMENDATION: Yes, if Issue 1 is approved this tariff should become effective February 18, 1997. If a timely protest is filed, this tariff should remain in effect with any increase held subject to refund pending resolution of the protest. If no timely protest is filed, this docket should be closed. STAFF ANALYSIS: If no protest is filed, this docket should be closed at the conclusion of the protest period.