

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed tariff filing to introduce) DOCKET NO. 910538-TI
 Operator Transfer Service by SOUTHERN BELL) ORDER NO. 24698
 TELEPHONE AND TELEGRAPH COMPANY) ISSUED: 6/24/91
)

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
 J. TERRY DEASON
 BETTY EASLEY
 GERALD L. GUNTER
 MICHAEL MCK. WILSON

ORDER APPROVING TARIFF FILING TO INTRODUCE
OPERATOR TRANSFER SERVICE

BY THE COMMISSION:

Southern Bell Telephone and Telegraph Company (Southern Bell or the Company) filed a tariff to introduce a new service called Operator Transfer Service (OTS) which would allow Southern Bell operators to transfer interLATA requests dialed "0-" (0 and no other digits) to the caller's choice of OTS-subscribing interexchange company (IXC) or alternate operator service company (AOS). ATT-C has received free call transfers in both the interstate and intrastate jurisdictions since divestiture. In order to meet the requirements of the Modified Final Judgement, Southern Bell is required to offer this service on an equal basis to all IXCs and AOS companies. This proposed tariff filing introduces a service which would allow the Company to meet this requirement.

Under the proposed tariff, when a caller dials "0-", she reaches a Southern Bell operator, at which time she may request connection to an IXC operator or an interLATA calling destination, or she may request an interLATA service which Southern Bell does not provide, such as interLATA rate information. Except for ATT-C and prior to the April 1, 1991, effective date of interstate OTS which was approved by the FCC, Southern Bell operators instructed callers with such requests to either hang up and dial "00-" (00 and no other digits) or to dial the caller's interexchange carrier's customer service number for assistance. This circumstance caused caller confusion, and resulted in complaints to Southern Bell and this Commission.

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Since April 1, 1991, Southern Bell has provided OTS to both the interstate and intrastate jurisdictions, even though the service is not tariffed in the intrastate jurisdiction. Southern Bell offered OTS in the intrastate jurisdiction prior to our approval of the service because the Company's tracking system could not distinguish between interstate and intrastate transfer requests. Currently, the Company collects revenues for only the percentage of traffic estimated to be interstate---76 percent of all transfer requests.

Southern Bell estimates the incremental cost per request for the provision of OTS to be \$.2071. This cost includes primarily operator labor costs, but also costs associated with switching and trunking. In its FCC filing, the Company determined that the fully-embedded cost for OTS is \$.3499. Southern Bell proposes a recurring rate of \$.35 per request for OTS which is to be assessed to the subscribing IXC or AOS provider. This is the same rate charged for interstate OTS. The level of contribution associated with intrastate OTS is 40 percent, or \$.1429 per transfer. The annual total contribution for this service in the first year is anticipated to be \$555,692 out of total OTS revenues of \$1,389,232.

Upon review, we find that: the Company's cost and pricing figures are appropriate; OTS will result in less complicated completion of interLATA calls or reception of interLATA services; the service enhances the efficiency of the network by reducing the number of operator calls required for the end user to complete a call; and OTS may be helpful to end users by allowing them to access the IXC operator of their choice when the telephone from which they call blocks direct access to the IXC. Thus, we approve Southern Bell's proposed tariff to introduce OTS, effective June 17, 1991.

Southern Bell estimates that \$1,389,282 in total OTS revenues will be generated in the first year of the service. Because the projected revenue impact is significant, we find that some monitoring of this service is necessary. Thus, Southern Bell shall be required to submit quarterly reports, due 30 days after the last day of each quarter, for a period of one year after the effective date of the tariff. The reports shall list each IXC and AOS company which subscribes to intrastate OTS and the number of transfers completed each month for each company, as well as the total number of transfer requests received by Southern Bell.

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Therefore, based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Southern Bell Telephone and Telegraph Company's tariff filing to introduce Operator Transfer Service is hereby approved with an effective date of June 17, 1991. It is further

ORDERED that Southern Bell Telephone and Telegraph Company shall be required to submit quarterly reports as set forth in the body of this Order. It is further

ORDERED that assuming no timely protest is filed, this Docket shall be closed. If a timely protest is filed, this tariff shall remain in effect with any revenues held subject to refund pending resolution of the protest.

By ORDER of the Florida Public Service Commission, this 24th day of JUNE, 1991.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

CWM

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

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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 proceeding, as provided by Rule 25-22.036(4), Florida Administrative Code, in the form provided by 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 at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on July 15, 1991

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.