BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Proposed tariff to introduce ESSX and Digital ESSX Very Small by SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY. DOCKET NO. 911160-TL ORDER NO. 25602 ISSUED: 1/15/92

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman SUSAN F. CLARK J. TERRY DEASON BETTY EASLEY

ORDER APPROVING TARIFF FILING

BY THE COMMISSION:

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Southern Bell Telephone and Telegraph Company (Southern Bell or the Company) filed proposed revisions to its General Subscriber Service Tariff (T-91-599 filed October 25, 1991). The purpose of this filing is to introduce ESSX and Digital ESSX Service Very Small and to introduce a new general ESSX feature, Assumed Dial 9.

Currently, Southern Bell requires a subscriber of ESSX Small Service to have a minimum of 15 lines. ESSX Very Small is designed to meet the needs of business customers with 4-24 main station lines. ESSX Very Small will be offered under the same terms and conditions as ESSX Small service and at predominantly the same rates.

The only rate element that differs between the two services is the rate for wire center lines greater than 2 1/2 miles in length. The Company states that this difference is because the costs are spread over fewer lines with ESSX Very Small service and extensions greater than 2 1/2 miles necessitate the higher rate. All other rates for service elements are identical to ESSX Small service.

The other element of this tariff proposal is a request to add a new feature to the company's general ESSX and Digital ESSX offerings. The feature, Assumed Dial 9, will enable ESSX customers to access outside lines without having to dial "9" before making a call. The feature's rates are comparable to other features offered for ESSX customers.

Southern Bell used an incremental cost study for ESSX and Digital ESSX Very Small services, as well as the new feature. The methodology was identical to other studies it has performed for its various ESSX services. We have reviewed the costs and believe them to be a reasonable estimate of the Company's expenses and projected DOCUMENT NUMBER-DATE

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revenues for this service. We also believe the methodology to be consistent with ones used for previous ESSX filings.

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Due to the small size of the average customer's network, Southern Bell does not expect competition from PBX vendors for this service. Competition should come from key systems and Southern Bell's own flat rate business customers. Southern Bell believes that current key system customers and customers who subscribe to business lines with custom calling packages such as Prestige Deluxe Service will be the primary market for ESSX Very Small.

It should be noted that the rates for ESSX Very Small will be higher than those of the competitive services mentioned above. However, customers will gain several additional features not available with those other systems.

The Company expects first year revenues for the two services plus the additional feature to reach \$327,030. Contribution, after costs and cross elasticities with existing services such as the ones previously mentioned, is projected to be \$122,560.

We find this tariff filing to be appropriate. The new services will allow additional customers to enjoy the benefits of ESSX service and the addition of Assumed Dial 9 will enhance all of the Company's ESSX products. For these reasons, as well as the ones outlined above, we shall approve Southern Bell's proposed tariff to introduce ESSX and Digital ESSX Service Very Small and to introduce a new general ESSX feature, Assumed Dial 9, with an effective date of December 24, 1991.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the proposed tariff to introduce ESSX and Digital ESSX Very Small and to introduce a new general ESSX feature, Assumed Dial 9, by Southern Bell Telephone and Telegraph Company is hereby approved. It is further

ORDERED that if a protest is filed within 21 days from the date of this Order, this tariff shall remain in effect with any increase held subject to refund pending resolution of the protest. If no timely protest is filed, this Docket shall be closed. ORDER NO. 25602 DOCKET NO. 911160-TL PAGE 3

By ORDER of the Florida Public Service Commission this 15th day of _______, 1992

STEVE TRIBELE, 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 Florida provided 25-22.036(4), Rule proceeding, as by Code, provided by Rule the form Administrative in 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 2/5/92

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. ORDER NO. 25602 DOCKET NO. 911160-TL PAGE 4

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.

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