BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Proposed tariff filing to introduce Open Network Architecture Access Services to restructure Feature Groups into Basic Serving Arrangements and Basic Service Elements and introduce new Basic Service Elements by BELLSOUTH TELECOMMUNICATIONS, INC. d/b/a SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

) DOCKET NO. 920985-TL) ORDER NO. PSC-93-0807-FOF-TL) ISSUED: May 25, 1993

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 FILING

BY THE COMMISSION:

On July 10, 1992, BellSouth Telecommunication, Inc., d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell or the Company) filed tariff revisions proposing to restructure portions of its existing switched access services into Basic Serving Arrangements (BSAs) and optional Basic Service Elements (BSEs) and introduce new BSEs.

This filing provides the companion state access services and structure to that required by the Federal Communication Commission's (FCC's) Open Network Architecture (ONA) requirements as specified in the FCC's Report and Order & Order on Further Reconsideration & Supplemental Notice of Proposed Rulemaking in Common Carrier Dockets 89-79 and 87-313. This order, released July 11, 1991, requires tier one Bell Operating Companies (BOCs) to unbundle local switching rate elements and provide new switched access features as listed in BOC's approved ONA plan. Southern Bell is the only tier one BOC in Florida.

Currently switched access service is provided, in part, through four service categories or serving arrangements: Feature Groups A, B, C, and D. Included within each feature group are a

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number of nonchargeable optional features. This filing unbundles the feature groups into BSA and BSE service categories.

BSAs are the underlying switching and transmission services, such as trunkside switched access. A BSA is the minimum transmission service necessary to connect to the Company's network. BSEs are the optional features. A customer must purchase a BSA to gain access to a BSE. The switched service BSA is essentially a feature group that does not include certain existing features. These features will be offered separately as BSEs under the restructured ONA plan.

BSEs are generally software-based features and functions resident in the stored-program-controlled switch located in the local exchange company's (LEC's) central office. BSAs are the mechanism to transport the BSEs to the customer's premises.

Southern Bell's current access tariff provides access through feature groups. Charges for feature groups are separated into three components: common line, local switching, and local transport. The local transport rate category provides the transmission facility from the interexchange carrier (IXC) to the Company's end office where the IXC's traffic is switched to originate or terminate the communication. Common line charges are the rates associated with the portion of the network used between the end user premises and the Company's central office. There are no rate changes proposed for local transport or common line charges.

Local switching provides for the use of local end office switching equipment. Usage sensitive rates are applied on a per minute of use basis, in addition to nonchargeable optional features. The proposed tariff will rate those previously nonchargeable optional features and introduce new options so that an IXC pays only for the services and options it uses.

The existing bundled feature groups and the unbundled BSA service categories are similar with two exceptions. First, certain local switching optional features which are currently offered as part of bundled service for feature group service categories, are offered as separately priced BSEs for the new BSA service categories. Second, several new service BSEs are offered for BSA customers. The new BSAs created with this filing are the Line Side Basic Serving Arrangement (LSBSA) and the Trunk Side Basic Serving Arrangement (TSBSA).

Line Side Basic Serving Arrangement (LSBSA)

The Line Side Basic Serving Arrangement (LSBSA) results from the unbundling of the existing Feature Group A (FGA) local switching, line side bundled service category. The LSBSA provides line side access to Southern Bell end office switches. Three local switching nonchargeable optional features (BSEs) are unbundled from the existing FGA service with this filing. Additionally, nine new BSEs also are offered to the LSBSA customers.

Trunk Side Basic Serving Arrangement (TSBSA)

The Trunk Side Basic Serving Arrangement (TSBSA) results from the unbundling of the existing trunkside bundled service categories FGB, FGC, and FGD. The TSBSA access service provides trunk side access to Southern Bell end office switches through three technical options. Two BSEs are offered to TSBSA customers: one that is currently bundled into the existing service arrangement and one new BSE.

TSBSA Technical Option 1, which is equivalent to FGB, provides trunk side access to Southern Bell end offices with an associated uniform 950-0XXX or 950-1XXX access code for the end user in originating and terminating communications to an IXC's interLATA service or a customer-provided interLATA communications capability.

TSBSA Technical Option 2, which is equivalent to FGC, is available only to IXCs providing MTS and WATS, and provides trunk side access to Southern Bell end office switches for the customer's use in originating and terminating communications. This service is available in all end offices that are not equipped for the TSBSA Technical Option 3 end office switching. Existing TSBSA Technical Option 2 access will be converted to the TSBSA Technical Option 3 when it becomes available in an end office. Although Southern Bell is currently equipped to provide equal access in all of its central offices, some LECs concurring in Southern Bell's access tariff are not.

TSBSA Technical Option 3, which is equivalent to FGD, provides trunk side access to Southern Bell end office switches with an associated uniform 10XXX access code for the customer's use in originating and terminating communications.

Southern Bell is proposing to offer a total of twelve BSEs for LSBSAs, which includes three unbundled and nine new. The Company also proposes two BSEs to TSBSAs, one unbundled and one new.

The feature groups and unbundled BSA service categories will coexist during a transition period, scheduled to run until June 30, 1994. At the expiration of this transition period, feature groups will no longer be available and all existing feature group service will be converted to the new BSAs and associated BSEs. A customer's conversion shall be done at no lower than an end office level. When a customer initially changes from existing feature group service to the equivalent unbundled BSA/BSE service, nonrecurring charges will not apply. However, new local switching optional features or BSEs will incur the applicable nonrecurring charges.

Cost data provided by Southern Bell indicate that the unbundling of existing feature groups into BSAs and BSEs has approximately a neutral revenue impact. But, although the revenue impact to Southern Bell is neutral, the impact to individual customers of Southern Bell may vary depending on the combination of optional services purchased.

One additional tariff modification has also been proposed in this filing. The Local Switching Line Termination rate element has been eliminated by rolling its rate into the Local Switching rates.

This filing will enable Southern Bell to offer Open Network Architecture Services as directed by the FCC. Accordingly, we hereby approve the tariff as filed.

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 proposed tariff to restructure existing feature groups into Basic Serving Arrangements and Basic Service Elements, and introduce new Basic Service Elements is hereby approved, effective May 5, 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 25th day of May, 1993.

STEVE TRIBBLE, Director Division of Records and Reporting

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by: Kay Dlynd Chief, Bureau of Records

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 25-22.036(4), provided by Rule proceeding, as provided by Rule in the Administrative Code, form 25-22.036(7)(a)(d) and (e), Florida Administrative Code. 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 June 15, 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.