

Message Storage Service



Bell Atlantic

Network Services, Inc.

1710 H Street, N.W., 8th Floor
Washington, D.C. 20006
(202) 392-6580

Lawrence W. Katz

Attorney

March 6, 1987

William J. Tricarico, Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Dear Mr. Tricarico:

Attached for filing is an original and five copies of Bell Atlantic's Plan To Offer Comparably Efficient Interconnection. Cost information in Appendix A of this filing has been deleted from this "public" filing. Under separate cover, Bell Atlantic is today submitting a filing which includes this cost information, together with a request for confidential treatment.

Please contact the undersigned with any questions regarding this filing.

Sincerely,

Lawrence W. Katz

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)
)
THE BELL ATLANTIC TELEPHONE)
COMPANIES)
)
Offer of Comparably)
Efficient Interconnection)
to Enhanced Service Providers)

PLAN TO OFFER COMPARABLY EFFICIENT INTERCONNECTION

Pursuant to the Report and Order ("R&O") in Computer Inquiry III,^{1/} the Bell Atlantic telephone companies^{2/} hereby submit a plan to provide comparably efficient interconnection ("CEI") to other vendors and users to enable them to offer enhanced services comparable to Bell Atlantic's proposed message storage service. The plan discusses each of the CEI requirements established by the Commission and explains how Bell Atlantic will meet those requirements.

1. Amendment of Section 64.702 of the Commission's Rules and Regulations (Third Computer Inquiry), CC Docket No. 85-229, Phase I, FCC 86-252, released June 16, 1986.

2. The Bell Telephone Company of Pennsylvania, The Diamond State Telephone Company, the four Chesapeake and Potomac Telephone Companies and New Jersey Bell Telephone Company.

1. Description of Service:^{3/} Bell Atlantic's proposed enhanced service will allow information service providers and end users to store customer messages electronically in telephone company-owned equipment located in central offices. Bell Atlantic equipment used to provide the enhanced service will interface with the public switched network ("PSN") through line-side connections within central offices. Access paths for enhanced service providers and end users who choose to provide their own storage equipment will also be afforded through the PSN using tariffed standard business dial tone line (local loop) arrangements. Billing services will not be offered with this enhanced service but are available under state tariffed billing arrangements.

2. Interface Functionality:^{4/} Both Bell Atlantic's enhanced service and other vendors and end users will connect to the CEI offering through line-side voice-grade dial tone line facilities. No special interfaces, signaling, abbreviated dialing, or other functionalities will be provided to Bell Atlantic's enhanced service or to other vendors through this offering.

3. Unbundling of Basic Services:^{5/} The only basic service required in connection with Bell Atlantic's proposed enhanced

3. R&O at ¶190.

4. Id. at ¶157.

5. Id. at ¶158.

service is a voice-grade business line. Existing local tariffs already unbundle this basic service from other tariff elements.^{6/} Accordingly, no further unbundling is required to comply with the provisions of the R&O.

4. Resale:^{7/} Bell Atlantic will subscribe to the business dial tone lines^{8/} and provide those lines as part of its enhanced service offering.

5. Technical Characteristics:^{9/} Interconnection to Bell Atlantic's enhanced service offering, and to similar offerings of unaffiliated vendors, will be through a standard line side central office interface. The Bell Atlantic enhanced service interface will use standard software translations in the central office switch and standard hardware cross-connections at the distributing frame to message storage equipment in the central

6. Relevant tariff pages are provided in Attachment A. The enhanced services described herein will be offered initially by The Bell Telephone Company of Pennsylvania ("BPa"), and accordingly the relevant BPa tariff provisions are being submitted. In the event additional Bell Atlantic telephone companies choose to offer such service, relevant effective tariff pages for the CEI business line service within these other jurisdictions will be supplied.

7. R&O at ¶159.

8. Since these business lines are entirely within Bell Atlantic's central offices, the price Bell Atlantic imputes to itself is reduced to reflect the lack of a transport function.

9. Id. at ¶160.

office. These translations and connections are identical to those provided under existing local tariffs for business dial tone lines. The existing line side interface functions will support transmission, switching and signalling functions identical to those used in Bell Atlantic's enhanced service.

The basic CEI service associated with Bell Atlantic's enhanced service and comparable services offered by other vendors is a standard voice-grade service. In determining whether interconnections are of equal quality, the Commission should be concerned not with whether sophisticated testing equipment can measure any difference in technical parameters but whether the customer can reasonably perceive a difference in signal quality.^{10/}

It is inevitable that analog lines extending beyond the central office will experience some signal attenuation in rough proportion to their length. The degree of attenuation is, however, very limited and is anticipated in the design of the voice storage equipment.^{11/} Therefore, Bell Atlantic's

10. The U.S. District Court for the District of Columbia held that customer perception, rather than absolute technical equality, is the reasonable standard for both voice and data in enforcing the equal access requirement of the divestiture decree. United States v. Western Electric Company, 589 F.Supp. 1057, 1063 (D.D.C., 1983).

11. Voice storage equipment commonly incorporates adjustable output level controls to assure a uniform signal despite these variations in the transmission path.

competitors will be able to provide services with the same quality as Bell Atlantic's enhanced service.

6. Installation, Maintenance and Repair:^{12/} The installation and repair intervals for the business dial tone lines ordered and used in connection with enhanced services, whether offered by Bell Atlantic or a competitor, will be the existing standard intervals for such business lines.^{13/} Pending resolution of Phase II of Computer Inquiry III,^{14/} business line orders placed in connection with Bell Atlantic's enhanced service will be processed through the centralized operations groups ("COGs").

7. End User Access:^{15/} Customers using Bell Atlantic's enhanced service or a competitor's service will dial the same number of digits. No abbreviated dialing or signalling or derived channels will be associated with this service.^{16/}

12. Id. at ¶¶161, 192-3.

13. As detailed in item 14 below, Bell Atlantic will file quarterly nondiscrimination reports.

14. Amendment of Section 64.702 of the Commission's Rules and Regulations (Third Computer Inquiry), CC Docket No. 85-229, Phase II, FCC 86-253, released June 16, 1986.

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16. Abbreviated dialing is generally available to end users under the Speed Calling feature of the existing Custom Calling Service offering.

8. CEI Availability:^{17/} Business dial tone lines, which are the only basic services required for CEI, are now available.

9. Minimization of Transport Costs:^{18/} The tariffed rates for business lines reflect economies realized through use of subscriber loop carriers and other multiplexing and concentration systems. The transport costs reflected in the effective tariffs for business line service within each jurisdiction are therefore already minimized.

10. Recipients of CEI:^{19/} The business dial tone line services offered in the attached tariffs are available to enhanced services vendors and end users under the same rates, terms and conditions.

11. Allocation of Joint and Common Costs:^{20/} Bell Atlantic will use a cost allocation methodology consistent with the Commission's Joint Cost Order.^{21/} Bell Atlantic will not initiate its message storage service until the Commission has approved an allocation manual filed pursuant to that Order.

17. R&O at ¶163.

18. Id. at ¶164.

19. Id. at ¶165.

20. Id. at ¶¶223, 236.

21. Separation of Costs of Regulated Telephone Service from Costs of Nonregulated Activities, CC Docket No. 86-111, FCC 86-564, released February 6, 1987.

12. Sample Tariffs:22/ Pages from relevant state tariffs are provided in Attachment A.

13. Nondiscriminatory Access:23/ As discussed in the response to item 6 above, Bell Atlantic will place orders for basic services to be used to provide its enhanced services through the COGs, pending a final determination of the COG issue in Phase II of Computer Inquiry III.

14. Nondiscrimination Reports:24/ Using unique service codes, Bell Atlantic will track installation and maintenance time intervals for basic services provided to Bell Atlantic's enhanced service, and for those provided to unaffiliated enhanced service vendors.25/ Reports, which will be prepared quarterly, will include:

0 Total installation orders and number of orders for which the promised intervals were not met, for Bell Atlantic and for unaffiliated enhanced service providers.26/

22. R&O at ¶190.

23. Id. at ¶193.

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25. Since standard business lines constitute the basic service, customers must advise Bell Atlantic of their intention to utilize those lines in connection with enhanced services in order to be included in the nondiscrimination reports.

26. Promised installation intervals will be the same for comparable affiliated and unaffiliated vendor service orders.

0 Total trouble reports and average duration of trouble or outage, for Bell Atlantic and for unaffiliated enhanced service providers.

Bell Atlantic will report on a quarterly basis the number of complaints received from enhanced service providers in connection with services provided pursuant to this plan.^{27/}

15. Customer Proprietary Network Information ("CPNI"):^{28/} Bell Atlantic will notify its affected residential and business customers of their rights to restrict access to their telephone service records. Bell Atlantic will also inform them that, upon their request, Bell Atlantic will release the applicable records to those vendors they specify.

Where customers instruct Bell Atlantic to restrict internal use of their CPNI, Bell Atlantic will clearly mark all electronic and hard copy records of that customer. Bell Atlantic sales personnel will be administratively prohibited

27. The Commission's requirement that Bell Atlantic file quality of service reports associated with end user access to enhanced service vendors through dedicated facilities does not apply to this service, since no dedicated facilities are being provided in connection with this CEI plan. Likewise, the requirement for reports of complaints during the testing phase is not applicable, since all applicable tariffs are now in effect and no testing phase is anticipated.

28. R&O at ¶¶223, 260-5.

from attempting to sell Bell Atlantic's enhanced service to any customer whose records are so marked. Through written methods and procedures and training by supervisors, such personnel will be clearly informed of the restrictions on the use of marked CPNI and will be told that violation of such restrictions will be punishable by disciplinary measures, up to and including dismissal. Periodic supervisory reviews will be conducted to assure compliance with these procedures.^{29/}

16. Disclosure of Network Information:^{30/} No changes to existing interconnection specifications will be made in connection with provision of Bell Atlantic's enhanced service.

WHEREFORE, Bell Atlantic respectfully requests approval of this plan to offer comparably efficient interconnection and

29. These procedures are consistent with those recently prescribed for unseparated provision of customer premises equipment. Furnishing of Customer Premises Equipment by the Bell Operating Telephone Companies and the Independent Telephone Companies, CC Docket No. 86-79, FCC 86-529, released January 12, 1987, at ¶¶65-70.

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permission to begin the unseparated offering of the enhanced service described herein.

Respectfully submitted,

The Bell Atlantic Telephone Companies

By Their Attorneys



James R. Young
Lawrence W. Katz

Robert A. Levetown
Of Counsel

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March 6, 1987

APPENDIX A

PRICING METHODOLOGY

This appendix describes Bell Atlantic's methodology for developing the rate which it will charge itself for the connection between the central office switch and Bell Atlantic's message storage equipment. This rate is based on Bell Atlantic's tariffed rates for business lines, adjusted to reflect the shorter length of these special connections.

Bell Atlantic developed this rate by totalling the costs incurred to provide business dial tone lines ("DTL"), and then deducting the outside plant costs which are incurred for business line service, but which are not incurred for the short connections used by Bell Atlantic's enhanced service. The cost for the short connection was divided by the cost for the longer business line, and the resulting factor was multiplied by the tariff rate for business lines. This analysis was performed separately for recurring and nonrecurring charges.

The charge attributed to Bell Atlantic's enhanced service will be calculated separately for each jurisdiction and for each density cell in which the service is to be offered. The charge for density cell one in Pennsylvania (covering Philadelphia and Pittsburgh), where the enhanced service will be offered initially, is derived below:

Recurring Charges

<u>Cost Elements</u> (Total Company)	<u>Multi-Line Business DTL Without Transport</u>	<u>Multi-Line Business DTL With Transport</u>
---	--	---

Non traffic sensitive
central office equipment
(includes c.o. based multi-
plexing and concentration)

Central office
connection

Transport

N/A

Total

\$

\$

Recurring costs of DTL without distance factor as a percent of
recurring costs of DTL with distance factor ("Attribution
ratio"):

= 21.2%

Tariffed recurring DTL charge

\$6.00

Subscriber line charge

\$3.30

Total

\$9.30

Attribution ratio

x 21.2%

Recurring charge attributed to
Bell Atlantic enhanced service

\$1.97

Non-Recurring Charges

<u>Costs Elements</u>	<u>Business DTL Without Distance Factor</u>	<u>Business DTL With Distance Factor</u>
- Direct expense (includes network assignment, frame, intercept and directory costs		
- Dispatch & field expense (outside plant loop related costs not incurred on an intra office connection)	N/A	
- CRIS updating		
- Order processing		
- Commercial (sales and negotiation expense)	* <hr/>	<hr/>
	\$	\$

Attribution Ratio

$$\frac{\quad}{\quad} = 55.8\%$$

Tariffed non-recurring
DTL charge

\$82.00

Attribution Ratio

x 55.8

Non-recurring cost
attributed to Bell Atlantic
enhanced service

\$ 45.76

* This is an estimated expense figure. Actual costs incurred as part of Bell Atlantic's enhanced service sale will be captured via exception time reporting.

E. RATES (Cont'd)

3. EXCHANGE SERVICE DIAL TONE LINE AND USAGE RATE SCHEDULE

<u>RESIDENCE</u>	<u>Monthly Rate</u>		
	<u>By Call</u>		
	<u>1</u>	<u>2</u>	
<u>Dial Tone Line</u>			
Individual	\$3.40(I)	\$3.70(I)	
Two-Party, each party	2.53(I)	2.78(I)	
<u>Usage Packages</u>	<u>Monthly Rate</u>		<u>Monthly Allowance</u>
Metropolitan Area Unlimited	\$20.00		-
Local Area Unlimited	9.00		-
Standard	2.50		\$4.00
<u>BUSINESS</u>	<u>Monthly Rate</u>		
	<u>By Call</u>		
	<u>1</u>	<u>2</u>	
<u>Dial Tone Line - Multi-Line Subscriber</u>			
Individual line, each	\$5.00	\$ 3.35(I)	
<u>Dial Tone Line - Single Line Subscriber</u>			
Individual line	8.06(I)	10.41(I)	
<u>Usage Packages</u>	<u>Monthly Rate</u>		<u>Monthly Allowance</u>
Valu-Pak Option	\$15.00		\$24.00
Standard	6.00		3.00

(C) Indicates change. (I) Indicates increase.
ISSUED OCTOBER 25, 1985.

EFFECTIVE OCTOBER 24, 1985

By J. J. Doherty, Jr., Director, One Parkway, Philadelphia, Pa.

In compliance with the order of the Pennsylvania Public Utility Commission of
October 24, 1985 in R-842779.

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<u>Dial Tone Line</u>				
Individual	\$3.40(I)	\$3.70(I)		
Two-Party, each party	2.55(I)	2.79(I)		
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Metropolitan Area Unlimited		\$20.00		-
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Individual line, each	\$6.00	\$ 3.35(I)		
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Individual line	8.06(I)	10.41(I)		
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ISSUED OCTOBER 23, 1985.

EFFECTIVE OCTOBER 14, 1985.

By J. J. Doherty, Jr., Director, One Parkway, Philadelphia, Pa.

In compliance with the order of the Pennsylvania Public Utility Commission of
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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing "Plan To Offer Comparably Efficient Interconnection" was served this 6th day of March, 1987 by mailing a copy thereof by first-class, United States mail, postage prepaid, to the parties on the attached service list.


Lawrence W. Katz

PROPRIETARY INFORMATION

© COPY

Bell Atlantic

Network Services, Inc.

1710 H Street, N.W., 10th Floor
Washington, D.C. 20006
(202) 392-6580

MAR 6 '87

OFFICE OF THE SECRETARY

Lawrence W. Katz

Attorney

March 6, 1987

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Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

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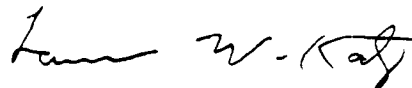
Attached for filing is an original of Bell Atlantic's Plan To Offer Comparably Efficient Interconnection. Appendix A contains cost information regarding state-tariffed business dial tone lines. This competitively-sensitive information is withheld from public inspection pursuant to a protective order entered by the Pennsylvania Public Utility Commission ("Pa. PUC").

Such information constitutes "financial information obtained from any person and privileged or confidential," and is thus routinely withheld from public inspection pursuant to Section 0.457(d) of the Commission's Rules and Regulations, 47 C.F.R. §0.457(d) and 5 U.S.C. 552(b)(4). The Pa. PUC has recognized that such cost information is competitively sensitive and should not be placed in the public record in connection with rate cases or other proceedings before that Commission.

As the Pa. PUC has recognized, disclosure of such information would afford a significant advantage to competitors of The Bell Telephone Company of Pennsylvania in providing alternative services. Accordingly, Bell Atlantic requests the Commission likewise to grant the information confidential treatment.

Please contact the undersigned with any questions regarding this filing.

Sincerely,



Lawrence W. Katz

cc: Albert Halprin, Chief,
Common Carrier Bureau

PROPRIETARY INFORMATION

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In the Matter of)
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By Their Attorneys



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The charge attributed to Bell Atlantic's enhanced service will be calculated separately for each jurisdiction and for each density cell in which the service is to be offered. The charge for density cell one in Pennsylvania (covering Philadelphia and Pittsburgh), where the enhanced service will be offered initially, is derived below:

Recurring Charges

<u>Cost Elements</u> (Total Company)	<u>Multi-Line Business DTL Without Transport</u>	<u>Multi-Line Business DTL With Transport</u>
Non traffic sensitive central office equipment (includes c.o. based multi- plexing and concentration)	.96	.96
Central office connection	.26	.26
Transport	<u>N/A</u>	<u>4.53</u>
Total	\$1.22	\$5.75

Recurring costs of DTL without distance factor as a percent of recurring costs of DTL with distance factor ("Attribution ratio"):

$$\frac{1.22}{5.75} = 21.2\%$$

Tariffed recurring DTL charge	\$6.00
Subscriber line charge	<u>\$3.30</u>
Total	\$9.30
Attribution ratio	<u>x 21.2%</u>
Recurring charge attributed to Bell Atlantic enhanced service	\$1.97

Non-Recurring Charges

<u>Costs Elements</u>	<u>Business DTL Without Distance Factor</u>	<u>Business DTL With Distance Factor</u>
- Direct expense (includes network assignment, frame, intercept and directory costs	21.96	21.96
- Dispatch & field expense (outside plant loop related costs not incurred on an intra office connection)	N/A	31.16
- CRIS updating	1.43	1.43
- Order processing	1.41	1.41
- Commercial (sales and negotiation expense)	<u>14.59*</u>	<u>14.59</u>
	\$39.39	\$70.55

Attribution Ratio

$$\frac{39.39}{70.55} = 55.8\%$$

Tariffed non-recurring
DTL charge

\$82.00

Attribution Ratio

x 55.8

Non-recurring cost
attributed to Bell Atlantic
enhanced service

\$ 45.76

* This is an estimated expense figure. Actual costs incurred as part of Bell Atlantic's enhanced service sale will be captured via exception time reporting.

E. RATES (Cont'd)

3. EXCHANGE SERVICE DIAL TONE LINE AND USAGE RATE SCHEDULE

<u>RESIDENCE</u>	<u>Monthly Rate</u>		<u>Monthly Allowance</u>
	<u>By Call</u>		
	<u>1</u>	<u>2</u>	
<u>Dial Tone Line</u>			
Individual	\$3.40(I)	\$3.70(I)	
Two-Party, each party	2.55(I)	2.78(I)	
<u>Usage Packages</u>		<u>Monthly Rate</u>	<u>Monthly Allowance</u>
Metropolitan Area Unlimited		\$20.00	-
Local Area Unlimited		9.00	-
Standard		2.50	\$4.00

<u>BUSINESS</u>	<u>Monthly Rate</u>		<u>Monthly Allowance</u>
	<u>By Call</u>		
	<u>1</u>	<u>2</u>	
<u>Dial Tone Line - Multi-Line Subscriber</u>			
Individual line, each	\$5.00	\$ 3.35(I)	
<u>Dial Tone Line - Single Line Subscriber</u>			
Individual line	8.06(I)	10.41(I)	
<u>Usage Packages</u>		<u>Monthly Rate</u>	<u>Monthly Allowance</u>
Valu-Pak Option		\$15.00	\$24.00
Standard		6.00	3.00

(C) Indicates change. (I) Indicates increase.
ISSUED OCTOBER 25, 1985.

EFFECTIVE OCTOBER 24, 1985

By J. J. Doherty, Jr., Director, One Parkway, Philadelphia, Pa.

In compliance with the order of the Pennsylvania Public Utility Commission of
October 24, 1985 in R-842779.

E. RATES (Cont'd)

3. EXCHANGE SERVICE DIAL TONE LINE AND USAGE RATE SCHEDULE

<u>RESIDENCE</u>	<u>Monthly Rate</u>			<u>Monthly Allowance</u>
	<u>by Cell</u>			
	<u>1</u>	<u>2</u>		
<u>Dial Tone Line</u>				
Individual	\$3.40(I)	\$3.70(I)		
Two-Party, each party	2.55(I)	2.73(I)		
<u>Usage Packages</u>		<u>Monthly Rate</u>		<u>Monthly Allowance</u>
Metropolitan Area Unlimited		\$20.00		-
Local Area Unlimited		9.00		-
Standard		2.50		\$4.00

<u>BUSINESS</u>	<u>Monthly Rate</u>			<u>Monthly Allowance</u>
	<u>By Cell</u>			
	<u>1</u>	<u>2</u>		
<u>Dial Tone Line - Multi-Line Subscriber</u>				
Individual line, each	\$6.00	\$ 3.35(I)		
<u>Dial Tone Line - Single Line Subscriber</u>				
Individual line	8.06(I)	10.41(I)		
<u>Usage Packages</u>		<u>Monthly Rate</u>		<u>Monthly Allowance</u>
Valu-Pak Option		\$16.00		\$24.00
Standard		6.00		8.00

(C) Indicates change. (I) Indicates increase.
ISSUED OCTOBER 25, 1985.

EFFECTIVE OCTOBER 24, 1985.

By J. J. Doherty, Jr., Director, One Parkway, Philadelphia, Pa.

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