BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Elimination of county and) DOCK municipality exemption from assessment) of a late payment charge for local) ORDE exchange companies)

DOCKET NO. 910235-TL ORDER NO. 24327 ISSUED: 4/4/91

The following Commissioners participated in the disposition of this matter:

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

NOTICE OF PROPOSED AGENCY ACTION ORDER ELIMINATING LATE CHARGE EXEMPTION FOR COUNTIES AND MUNICIPALITIES

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

By Order No. 17915, issued July 27, 1987, we approved Southern Bell Telephone and Telegraph Company's tariff imposing a 1.5% late payment charge on outstanding balances existing at the next payment date. At that time, we also found that state governmental entities are subject to Section 215.422, Florida Statutes, which provides for a 1% late charge 45 days after presentation of the bill. Additionally, we concluded that the federal government is subject to the terms of the Prompt Payment Act, 39 USC § 3901-06 (1985) which has been interpreted to require adherence to the terms of the tariff. See 63 Comp. Gen. 517 (1984). At that time we decided not to impose a late charge payment on counties and municipalities. Currently, Southern Bell and GTE Florida are the only local exchange companies (LECs) which impose a late payment charge; thus they are also the only LECs which do not impose a late payment charge on counties and municipalities.

On October 16, 1990, Florida Power and Light (FPL) filed a petition requesting approval of a Late Payment Charge and a Field Collection Charge. By Order No. 24271, issued March 21, 1991, we approved FPL's petition. We also found that counties and municipalities should no longer be exempt from late payment charges. In order to maintain consistent policy for

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telecommunications as well as electric and gas, we believe that a similar late payment policy should be in place for the LECs. Therefore, we find that counties and municipalities shall now be subject to late payment charges at a rate no greater than allowed, and in a manner permitted, by applicable law. Currently, local governmental entities are subject to statutory late payment charges in accordance with the provisions of the Florida Prompt Payment Act, Sections 218.70-218.79, Florida Statutes.

Accordingly, Southern Bell and GTE Florida shall file revised tariffs to include counties and municipalities in the assessment of a late payment charge. The tariff revisions shall be filed within 30 days of this order, with the effective date of such tariffs to coincide with the ability of the LECs' billing systems to implement and administer the late payment charge. The tariffs and their effective dates shall be administratively approved.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Southern Bell Telephone and Telegraph Company and GTE Florida shall file revised tariffs to include counties and municipalities in the assessment of a late payment charge. It is further

ORDERED that the tariff revisions shall be filed within 30 days of this order, with the effective date of the tariffs to coincide with the ability of the LECs' billing systems to implement and administer the late payment charge. When filed, the tariffs and their effective dates shall be administratively approved. It is further

ORDERED that if no protest is filed in accordance with the requirements set forth below, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 4th day of _____, 1991.

STEVE TRIBBLE, Director

Division of Records and Reporting

(SEAL) PAK

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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 action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), 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, 32399-0870, the close business Florida by of on April 25, 1991

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

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 and effective 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 effective date of this order, 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.