BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Determination of appropriate method for refunding) ORDER NO. PSC-95-1484-FOF-TI overcharges on intrastate long) ISSUED: November 30, 1995 distance service provided by U. S. Long Distance, Inc. for calls placed from pay telephones.

) DOCKET NO. 951102-TI

The following Commissioners participated in the disposition of this matter:

> SUSAN F. CLARK, Chairman J. TERRY DEASON JOE GARCIA JULIA L. JOHNSON DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION ORDER DISPOSING OF OVERCHARGES

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 substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

The Commission routinely evaluates pay telephones for compliance with our rules. During these evaluations, credit card calls are made and verified by our staff to determine whether the rates charged comply with the rate cap set forth by Order No. On June 20, 1994, we informed U. S. Long Distance, Inc. (USLD) that the charge for test calls appeared to exceed the rate cap. On July 25, 1994, USLD responded that the overcharges had been caused because it was charging for conversation time between the caller and the USLD operator. This practice is allowed in some states but not in Florida. USLD determined that approximately 308,784 calls were overcharged and estimated that \$60,506.30 was overcharged between June, 1993 and May, 1995. In September, 1995, USLD proposed a prospective rate reduction where it would credit \$0.86 per intrastate call by reducing its operator surcharge until the refund is complete. USLD projects the refund will take four months.

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We accept USLD's proposal. While we prefer direct refunds to overcharged customers, we find USLD's estimates are reasonable and it is appropriate to allow this company to implement a prospective rate reduction. USLD shall refund \$67,296.30, consisting of \$60,506.30 in overcharges and \$6,790 in interest, calculated pursuant to Rule 25-4.114, Florida Administrative Code, by reducing its surcharge for operator-assisted intrastate calls by \$0.86.

We choose not to issue a show cause order in this case. When notified that test calls appeared to be overcharged, USLD investigated and promptly corrected the problem. USLD proposed a reasonable method to settle the matter quickly. Therefore, a show cause order is not appropriate in this case.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the refund method proposed by U. S. Long Distance, Inc. is accepted. It is further

ORDERED that U. S. Long Distance, Inc. shall refund \$67,296.30, consisting of \$60,506.30 in overcharges and \$6,790 in interest, calculated pursuant to Rule 25-4.114, Florida Administrative Code, by reducing its surcharge for operator-assisted intrastate calls by \$0.86. It is further

ORDERED that, unless a person whose substantial interests are affected by the action proposed herein files a petition in the form and by the date specified in the Notice of Further Proceedings or Judicial Review, this Order shall become final on the following date and this docket shall be closed upon verification that the refund is complete.

By ORDER of the Florida Public Service Commission, this 30th day of November, 1995.

BLANCA S. BAYÓ, Director

Division of Records and Reporting

(SEAL)

LMB

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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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on December 21, 1995.

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 substantially 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 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.