BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Notice of election of price regulation by Indiantown Telephone System, Inc.

) DOCKET NO. 961466-TL) ORDER NO. PSC-97-0127-FOF-TL) ISSUED: February 6, 1997

The following Commissioners participated in the disposition of this matter:

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

ORDER ACKNOWLEDGING ELECTION OF PRICE REGULATION

BY THE COMMISSION:

On December 10, 1996, Indiantown Telephone System, Inc., (Indiantown) filed a notice that it would elect price regulation effective December 10, 1996. Section 364.051, Florida Statutes, provides that local exchange companies may elect price regulation beginning on January 1, 1996. When a company elects price regulation, certain rates will be capped as of particular dates. The capped rates may thereafter be increased only as provided by statute.

BASIC RATES

Section 364.051(2)(b), Florida Statutes, provides that:

Upon the date of filing its election with the commission, the rates for basic local telecommunications service of a company that elects to become subject to this section shall be capped at the rates in effect on that date and shall remain capped as stated in paragraph (a).

Accordingly, Indiantown's basic local telecommunications service rates will be capped at the levels in effect on December 10, 1996. Section 364.051(2)(a), Florida Statutes, provides that these rates cannot be increased prior to January 1, 1999.

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Section 364.02(2), Florida Statutes, defines basic local telecommunications service as:

[V] oice-grade, flat-rate residential and flatrate single-line business local exchange services which provide dial tone, local usage necessary to place unlimited calls within a local exchange area, dual tone multi-frequency dialing, and access to the following: emergency services such as "911," all locally available interexchange companies, directory assistance, operator services, relay services, and an alphabetical directory listing. For a local exchange telecommunications company, such term shall include any extended area service routes, and extended calling service in existence or ordered by the commission on or before July 1, 1995.

NONBASIC SERVICES AND NETWORK ACCESS SERVICES

Prices for nonbasic services are limited by Section 364.051(6)(a), Florida Statutes, which provides that price increases for such services "shall not exceed 6 percent within a 12-month period until there is another provider providing local telecommunications services in an exchange area at which time the price for any nonbasic service category may be increased in an amount not to exceed 20 percent with a 12-month period."

Pursuant to Section 364.051(6), Florida Statutes, protected nonbasic services rates are capped at rates in effect on July 1, 1995, and may not be increased prior to January 1, 1999. Protected nonbasic services are identified in Section 364.051(6)(a), Florida Statutes, as:

> 1. A voice-grade, flat-rate, multi-line business local exchange service, including multiple individual lines, centrex lines, private branch exchange trunks, and any associated hunting services, that provides dial tone and local usage necessary to place a call within a local exchange calling area; and

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> 2. Telecommunications services provided under contract service arrangements to the SUNCOM Network, as defined in chapter 282.

Network access services are capped pursuant to Section 364.163 (1), Florida Statutes, which provides as follows:

> Upon the date of filing its election with the Commission, the network access service rates of a company that elects to become subject to this section shall be capped at the rates in effect on that date and shall remain capped for 3 years.

Accordingly, Indiantown's network access services are capped at the rates in effect on December 10, 1996, and may not be increased prior to December 10, 1999.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Indiantown Telephone System, Inc.'s basic local telecommunications service rates shall be capped at the rates in effect on July 1, 1995, and not increased prior to January 1, 1999. It is further

ORDERED that Indiantown Telephone System, Inc.'s, rates for protected nonbasic services shall be capped effective December 10, 1996, at the rates in effect on July 1, 1995, and not increased prior to January 1, 1999. It is further

ORDERED that Indiantown Telephone System, Inc.'s network access services shall be capped effective December 10, 1996, at the rates in effect on December 10, 1996, and may not be increased prior to December 10, 1999. It is further

ORDERED that Indiantown Telephone System, Inc.'s rates for nonbasic services other than protected nonbasic services shall be limited as provided in Section 364.051(6)(a), Florida Statutes. It is further

ORDERED that this docket shall be closed.

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By ORDER of the Florida Public Service Commission, this 6th day of February, 1997.

BLANCA S. BAYÓ, Director Division of Records and Reporting

(SEAL)

CJP

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/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 after the issuance 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.