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FILE CAPY

June 30, 1997

Ms. Blanca S. Bayo, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Motion for Expedited Ruling on Sprint-Florida's Status in Dockst No. 970281-TP, and/or Clarification/ Reconsideration of Order No. PSC-97-0721-PCO-TP

Dear Ms. Bayo:

Enclosed for filing is the original and fifteen (15) copies of Sprint-Florida, Inc.'s Motion for Expedited ruling on Sprint-Florida's Status in Docket No. 970281-TP, and/or Clarification/Reconsideration of Order No. PSC-97-0721-PCO-TP.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning the same to this writer.

Thank you for your assistance in this matter.

Kalle

Charles J. Rehwinkel

Sincerely,

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re establishment of) intrastate implementation) requirements governing federally) mandated deregulation of local) exchange company pay phones)

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Docket No. 970281-T

Filed: June 30, 1997

MOTION FOR EXPEDITED RULING ON SPRINT-FLORIDA'S STATUS IN DOCKET NO. 970281-TL, AND/OR CLARIFICATION/RECONSIDERATION OF ORDER NO. PSC-97-0721-PCO-TP

COMES NOW Sprint-Florida, Incorporated ("Sprint-Florida" or "Company") and files this motion for relief from the obligations of the Order on Prehearing Procedure insofar as the Order would require Sprint-Florida's participation in the hearing currently scheduled for August 7, 1997. Sprint-Florida's position is based on the scope of the protest filed in this docket by MCI and the provisions of Section 120.80(13)(b), Fla Stat. Additionally, to the extent that Sprint-Florida's intervention in this docket is based on the intervention the company sought, the Company requests permission to withdraw from the docket consistent with the relief being sought herein. In support Sprint-Florida states as follows:

1. On March 31, 1997 the Commission issued its Notice of Proposed Agency Action Order PSC97-0358-PCO-TP, ("PAA Order") on the issue of removing the subsidy (if any) associated with the deregulation/detariffing of the LEC payphone operations of Sprint-Florida and other LECs. The same day, Sprint-Florida filed its tariff in accord with the FCC orders implementing the Telecommunications Act of 1996 (47 U.S.C. 276(1)(b)). No action was taken by the commission in the ensuing 15 days to reject, suspend or in any way question the tariff. Neither was there any protest of or petition on the tariff. On April 21, MCI filed its Petition on Proposed

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Agency Action ("protest") of the PAA Order.¹ On April 22, Sprint-Florida filed its Petition to Intervene without knowledge of MCI's protest which was not received until after the intervention was filed.²

2. On May 16, 1997, Sprint-Florida filed a timely response to the MCI protest on the mistaken belief that the request for relief and the Protest was possibly directed to Sprint-Florida in addition to BellSouth and GTE Florida. The gist of Sprint-Florida's response was that the tariff filed by the Company was valid and effective and had not been questioned by the Commission nor had it been protested by anyone. Furthermore, Sprint-Florida pointed out that the MCI protest states on the first page that :

This protest is filed in each of the three dockets covered by that [PAA] order and is filed as to BellSouth Telecommunications, Inc. (BellSouth)and GTE Florida Incorporated (GTEFL).

3. At the June 10, 1997 ... genda Conference, counsel for MCI confirmed on the record that

MCI's petition, protest was filed in the generic docket, but it was filed as to BellSouth and GTE Florida. I don't believe MCI has protested that order as to Sprint and I don't believe they are at issue in the docket.

(See Attachment A, Transcript of Item No. 20, June 10, 1997 Agenda Conference, Florida Public Service Commission, at p.13)

¹In addition to addressing the subsidy issue, the PAA Order proposed to deny MCI's petition on the tariff BellSouth filed to remove the subsidy from non-access elements and MCI's petition regarding GTEFL's lack of filing any tariff.

²Sprint-Florida's intervention was filed in order to protect the Company's interests and for purposes of staying apprized of activity f the other LECs as that might affect Sprint-Florida's substantial interests. Curiously, there must be some confusion regarding the scope of the coming hearing or parties since the certificate of service and discovery was directed only to LECs Sprint-Florida, BellSouth and GTEFL.

4. Despite that representation, no further affirmative action was taken on Sprint's response to the MCI Protest. Rather, the Commission approved staff's recommendation that the "Commission not make the finding that Sprint-Florida requests at this time". In essence, the Commission made no decision on the position of Sprint that it should not be subject to any further determination as a result of the PAA Order issued in Docket No. 970281-TL.

5. Subsequent to the June 10, Agenda conference, Sprint-Florida has learned that the staff intends that LECs other than GTEFL and BellSouth are to be subject to the determination resulting from the hearing that will be held as a result of the MCI Protest. Sprint-Florida is unsure whether that course of action is consistent with the intent of the Commission. It had been the Company's understanding that a hearing was to be held only if there were matters in dispute. Based on the Proposed Agency Action approach taken by the Commission in issuing the PAA order, Sprint-Florida was entitled to rely on that process as defining the scope of the hearing to which the company would then be subject.

6. MCI did file a Protest, necessitating a hearing. However, based on based on the representations made by MCI on the record regarding the scope of its protest, Sprint-Florida should not now be subject to a hearing or any further determination regarding the amount or removal of any subsidy. Instead, as to the tariff filed removing the subsidy and any determination under Docket No. 970281-TL, Sprint-Florida should be excused as a matter of law

7. Recent revisions to the APA, sought by the Commission as part of the streamlining of the regulatory process, have severely limited the scope of a hearing that may be held pursuant to a PAA protest. Section 120.80(13)(b), Fla. Stat. provides that:

Notwithstanding ss. 120.569 and 120.57, a hearing on an objection to proposed action of the Florida Public Service Commission may only address the issues in dispute. Issues in the proposed action which are not ir dispute are deemed stipulated.

Clearly, MCI's representation regarding the scope of the protest means that Sprint-Florida is not

at issue in this proceeding and that the Commission may not conduct - hearing based on the protest lodged by MCI. Any contention that the PAA Order is not seconable (under longstanding Commission practice) cannot prevail in the face of the statute which controls the jurisdiction of the Commission to hold a hearing on a PAA protest. By operation of law the narrowness of MCI's protest severs any other issue (i.e. the tariffs or actions of any other party in the docket) from the protested issues. Once the Commission has chosen to proceed to hearing under the PAA route, it cannot force MCI to maintain a broader protest than intended by MCI. Neither can the rules be changed mid-stream to have a hearing for the benefit of other parties who have chosen not to protest. Any other course of action would render the PAA process an illusion to those who have a right to rely that the PAA Order means what it says.

8. Any other basis for this hearing other than by virtue of the Protest lodged by MCI is not authorized by Commission action taken to date because the matter has not been set for hearing based on any issue or matter in dispute. Sprint-Florida submits that had there been no protest filed, no hearing wou'd be held. Instead, any future issues would be raised based on a complaint process where presumptively valid tariffs would be challenged in the same way any other valid and effective rate would be.

9. As it stands now, because of the terms of the Order on Prehearing Procedure, the Company is considered to be subject to discovery for purpose of the hearing. In fact on June 27, 1997, Sprint-Florida received by mail discovery from AT&T that may be due within 20 days of the request pursuant to the Order. Having to respond to discovery under these circumstances is especially troubling to the Company. AT&T did not seek a hearing in this matter. Under the above cited provisions of the APA, neither AT&T nor any other party should have standing to maintain an action against Sprint-Florida under circumstances where MCI has in essence acknowledged that it would not have such standing nor in fact does MCI desire it. AT&T's discovery is only an illustration (albeit a very real and troubling one) of the problems that arise when the PAA process is administered outside of the strictures of Section 120.80(13)(b).

10. In conclusion, Sprint-Florida believes that if the Commission fails to exclude the Company from the hearing process a violation of the APA will result. The company is potentially subjected to what would amount to "triple jeopardy" by having to survive the tariff approval process and the PAA protest process only to be faced with a hearing that makes all the other points of entry heretofore available to parties nothing more than optional exercises that can be ignored. For these reasons, Sprint-Florida requests that the Prehearing officer exercise the authority under Rule 25-22.038, F.A.C. to conform the scope of this proceeding to that allowed under section 120.80(13)(b). To the extent necessary to preserve the Company's rights, clarification or reconsideration of Order No. PSC-97-721-PCO-TP is requested consistent with the issues raised herein.

11. As discussed above, Sprint-Florida as no desire to be a part of this docket if it will create an obligation to participate in and be subject to a hearing that the Commission would have no jurisdiction to hold absent the fact of our intervention. To the extent the Commission is purporting to act based on any voluntary participation, the Company respectfully requests that the Prehearing officer grant this request to allow the Company to withdraw from the Docket.

12. This motion is styled as an emergency motion because certain events are drawing near that will require the Company's participation and resources. Direct Testimony is due on July 7, responses to AT&T discovery would be due on July 15, rebuttal testimony is due on July 16 and prehearing statements are due July 18. For these reasons, Sprint-Florida respectfully requests a ruling as soon as possible on the Company's status in this docket.

WHEREFOR, for the reasons stated above, Sprint-Florida, Incorporated respectfully requests that the Prehearing Officer consider on an expedited basis (consistent with the accelerated timetable for all other actions required of or available to the parties in this proceeding) this Motion and issue a ruling confirming that Sprint-Florida is not the subject of the hearings to be conducted in this Docket.

Respectfully Submitted.

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Charles J. Rehwinkel

General Attorney Sprint-Florida, Incorporated P.O. Box 2214 MC FLTLHO0107 Tallahassee, Florida 32301

CERTIFICATE OF SERVICE DOCKET NO. 970281-TL

I HEREBY CERTIFY that a true and correct copy of the foregoing was served by U.S. Mail this 30^{4} day of une, 1997 to the

following:

Richard D. Melson, Esq. Hopping, Sams & Smith, P.A. P. O. Box 6526 Tallahassee, Florida 32314

Michael J. Henry, Esq. Martha P. McMillin, Esq. MCI Telecommunications Corporation 780 Johnson Ferry Road, Suite 700 Atlanta, GA 30342

Will Cox, Esq. Florida Public Service Commission Division of Leg-1 Services 2540 Shumard Oax Boulevard Tallahassee, Florida 32399-7704

Ms. Beverly Y. Menard GTE Florida Incorporated 106 East College Avenue, Suite 1440 Tallahassee, Florida 32301-1440

BellSouth Telecommunications, Inc. Robert G. Beatty Nancy B. White c/o Nancy H. Sims 150 So. Monroe Street, Suite 400 Tallahassee, Florida 32301

Ms. Harriet Eudy ALLTEL Florida, Inc. P.O. Box 550 Live Oak, FL 32060-3343

Mr. Bill Thomas Gulf Telephone Company P.O. Box 1007 Fort St. Joe, FL 32457-1007

Mr. Robert M. Post, Jr. Indiantown Telephone System, Inc. P.O. Box 277 Tallahassee, Florida 34956-0277 Ms. Lynn G. Brewer Northeast Florida Telephone Company, Inc. P.O. Box 485 Macclenny, Florida 32063-0485

Mr. Thomas McCabe Quincy Telephone Company P.O. Box 189 Quincy, Florida 32353-0189

Mr. John H. Vaughan St. Joseph Telephone & Telegraph Company P.O. Box 220 Port St. Joe, Florida 32456-0220

Ms. Laurie A. Maffett Frontier Communications of the South, Inc. 180 S. Clinton Avenue Rochester, N.Y. 14646-0400

Ms. Lynn B. Hall Vista-United Telecommunications P.O. Box 10180 Lake Buena Vista, Florida 32830-0180

Florida Public Telecommunications Association, Inc. Attention: Ms. Angela B. Green 125 South Gadsden Street, Suite 200 Tallahassee, Florida 32301

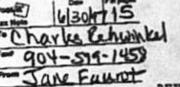
Tracy Hatch AT&T Communications of the Southern States, Inc. 101 North Monroe Street Tallahassee, Florida 32311

Ø DRARE

Charles J. Rehwinkel Attorney for Sprint-Florida, Inc. P.O. Box 2214, FLTLH00107 Tallahassee, FL 32316-2214 904/847-0244

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06-30-1997 08:52AM



SEFORE THE FLORIDA PUBLIC SERVICE COMMISSION TALLAHASSEE, FLORIDA

IN RE: Petition by MCI Telecommunications Corporation for an order requiring BellSouth Telecommunications, Inc. to remove its deregulated payphone investment and associated expenses from its intrastate operations and reduce the Carrier Common Line rate element of its intrastate switched access charges by approximately \$36.5 million as required by the Federal Telecommunications Act of 1996.

DOCKET NO. 970172-TP

IN RE: Petition by MCI Telecommunications Corporation for an order requiring GTE Florida Incorporated to remove its deregulated payphone investment and associated expenses from its intrastate operations and reduce Carrier Common Line rate element of its intrastate switched access charges by approximately \$9.6 million as required by the Federal Telecommunications Act of 1996.

DOCKET NO. 970173-TP IN RE: Establishment of intrastate implementation requirements coverning federally mandated deregulation of local exchange company payphones.

DOCKET NO. 970281-TL

BEFORE:



CHAIRMAN JULIA L. JOHNSON COMMISSIONER J. "SRRY DEASON COMMISSIONER SUSAN F. CLARK COMMISSIONER DIANE K. KIESLING COMMISSIONER JOE GARCIA

PROCEEDING:

ITEM NUMBER:

DATE:

PLACE :

AGENDA CONFERENCE

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June 10, 1997

4075 Esplanade Way, Room 148 Tallahassee, Florida

JANE FAUROT, RPR P.O. BOX 10751 TALLAHASSEE, FLORIDA 32302 (904) 379-8669

1	PARTICIPATING:
2	Rick Melson, Esquire, representing MCI
3	Phil Carver, Esquire, representing BellSouth Charles Rehwinkel, Esquire, representing Sprint Florida, Inc.
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6	STAFF RECOMMENDATIONS
7	Issue 1: Should the Commission grant MCI Telecommunications Corporation's (MCI) request to suspend the tariff filed by BellSouth Telecommunications, Inc. to implement its estimate
8	of the required rate reduction and require BellSouth to hold the amount of such reductions subject to disposition by
9	further order of the Commission? Recommendation: No.
10	Issue 2: Should these dockets be closed? Recommendation: No. These dockets should remain open to
11	address the issues presented in MCI's Protest of Order No. PSC-97-0358-FOF-TP and any other implementation matters
12	concerning pay telephone deregulation.
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2 CHAIRMAN JOHNSON: Item 20. 3 COMMISSION STAFF: Commissioners, Item 20 is 4 staff's recommendation that the Commission deny MCI's request to suspend the tariff filed by BellSouth 5 Telecommunications, Incorporated to implement 6 BellSouth's removal of the intrastate subsidy of its 7 pay telephone operation and implement the appropriate 8 rate reduction. 9

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BellSouth filed the revised tariff February 26,
1997, with an effective date of April 15th, 1997. In
compliance with the FCC's orders implementing Section
276 of the Telecommunications Act, and also in
compliance of this Commission's Proposed Agency Action
order in Docket 970281.

BellSouth removed its intrastate subsidy by 16 reducing its business rotary rate. Under the 17 Commission's PAA order, local exchange companies were 18 given discretion to remove the subsidy from any 19 intrastate rate element so long as the subsidy was 20 removed with the appropriate rate reduction. MCI 21 subsequently protested the Commission's decision, and 22 the matter has been set for hearing on August 9th, 23 1997. MCI's petition for a formal hearing also 24 requests that the Commission stay the revised tariff to 25

BellSouth pending outcome of the hearing process. 1 Staff recommends that the Commission deny this 2 request because it would force BellSouth into violation 3 of the FCC orders requirement that revised LEC tariffs 4 be effective no later than April 15th, 1997. Staff 5 believes that, if necessary, the affected companies and 6 customers could be made whole if the Commission 7 determines through the hearing process that a different 8 rate reduction should be made by BellSouth to remove 9 the intrastate subsidy. Staff and several of the 10 parties are available to answer any questions that the 11 Commission might have. 12 CHAIRMAN JOHNSON: Mr. Melson. 13 MR. MELSON: Commissioners, Rick Melson 14 representing MCI. As staff has described, BellSouth 15 implemented the rate reduction as a result of the

P.84

06-30-1997 08:54AM

16 payphone deregulation through reducing business rotary 17 rates. Under your PAA order, it said that any tariff 18 reducing the rates should go into effect on an interim 19 basis subject to refund in the event there was a 20 protest. MCI has protested. Our position at the 21 hearing will be that the Commission should not have 22 left BellSouth the choice of what rates to reduce, the 23 Commission should have specified. And our further 24 position will that be you should have specified a 25

reduction in access charges. That is just by way of background.

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We asked -- we believe that the order that those 3 tariffs are interim and revenues held subject to refund 4 does not protect MCI's rights in the event we succeed 5 on the merits. It was not a rate increase by Bell, 6 where they have got some additional revenues that they 7 could refund later. It was a rate decrease by Bell, 8 the benefits of those reductions are being given today 9 to business line customers. 10

If this Commission decides three to four months 11 from now that those benefits should have been given to 12 the interexchange carriers in the form of an access 13 charge reduction, those monies are out the door and we 14 don't see a way that the Commission could recapture 15 those and say, "MCI, you were right, those should have 16 gone to access charge reductions. Bell, make that 17 retroactive." That looks to us as though it would be 18 retroactive ratemaking. 19

For that reason, when we protested the PAA order, we asked the tariffs be suspended, and the Commission simply hold the amount that would have been reduced subject to disposition by a further order of the Commission. We feel that anything less would essentially deprive us of the ability to argu; for, and

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if we are successful, ultimately get the relief to 1 which we are entitled, which is to see those dollars 2 used to reduce access charges. 3 COMMISSIONER DEASON: Would that action comply 4 with the FCC order, in your opinion? 5 MR. MELSON: I believe it would. BellSouth would 6 have taken steps necessary under the FCC order which 7 was to file the tariff. The Commission would have, 8 because its order as to the manner of the reduction was 9 a PAA, was not a final order, would have suspended the 10 effectiveness of that tariff. BellSouth would be in 11 compliance by virtue of having taken the actions they 12 were supposed to have taken. 13 CHAIRMAN JOHNSON: Mr. Rehwinkel, were you going 14 to add anything to that or did --15 MR. REHWINKEL: Commissioners, I would rather wait 16 until BellSouth goes, because my issues are a little 17 different than what we are talking about. 18 CHAIRMAN JOHNSON: Okay. BellSouth. 19 MR. CARVER: Thank you. I'm Phil Carver 20 representing BellSouth. MCI's request to suspend the 21 tariff should be denied for two reasons: The first 22 reason is it's not necessary; the second reason is it's 23 going to result in a tremendous financial harm to 24

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25 BellSouth. And I would like to begin with the second

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point, because it ties in directly with the question 1 2 that Mr. Melson just answered. I'm really hard pressed to believe that the FCC would see this issue the way 3 that Mr. Melson just described it to you. The FCC 5 order clearly requires BellSouth to make the reduction by April 15th. At the same time, it says that certain 7 IXCs, including MCI, AT&T, and other IXCs having revenues in excess of \$100 million, are required to begin at the time the reduction is made to pay interim compensation, and they pay that for a period of one 11 year. If the reductions are not made, then no interim compensation is due.

Now, if the tariff is suspended, then certainly 13 that is something that is involuntary, that's not 14 BellSouth's idea. But our belief if that the FCC would 15 nevertheless see that as a situation when the 16 reductions were not made. And if the reductions aren't 17 made, that MCI, and ATET, and the other large IXCs have 18 19 a justification to say that the FCC order has not been met, and that they won't pay the interim compensation. 20

So, if you don't allow the tariff to go into 21 22 effect for whatever time period this is, BellSouth will 23 lose the interim compensation. MCI, AT&T, and the others will keep it and they will be unjustly enriched 24 for that time period. 25

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P.87

06-30-1997 08:55AM

At the same time it's equally important to 1 consider that what they are asking for really isn't 2 necessary. Suspension of a tariff is not the usual 3 procedure. In effect, it's sort of like staying your decision. In a court it would almost be like an 5 injunction. It's a fairly unusual and extreme form of 6 relief, and we believe that for that reason MCI should 7 only be entitled to this relief if they can make a 8 compelling case that they will be damaged in the 9 absence of it. And the question should be if they win, 10 if they prove the case as they put it before you, are 11 they going to be able to have relief at the end of the 12 case. And we believe that they will. 13

P.09

First of all, what they have raised is essentially 14 a legal issue. The only factual issue in the entire 15 case is the amount of the subsidy, and they say in 16 their petition that they are not necessarily disputing 17 that. What they really take issue with is the decision 18 that the Commission has made based on the FCC order. 19 The Commission has interpreted the FCC order to allow 20 BellSouth some discretion in selecting the service to 21 which the reduction will be made, and they are arguing 22 that as a matter of law the FCC order requires a higher 23 level of scrutiny. They are arguing that as a matter 24 of law the Commission has to pick the particular 25

services to which the reductions will be made.

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In order to prevail on the merits, they are going to have to prove that, and they are also going to have to convince you that after you have reversed your earlier legal decision and applied the standard that they advocate, that the CCL charge is the appropriate place to make the reduction. And, again, that's a legal issue, also.

9 If they can do both of those, then they would be 10 entitled to relief. Now, if they can do that, then 11 what they will have established is that as a matter of 12 law the FCC order properly interpreted requires that 13 the reduction be made to the CCL. And if they can 14 prove that, then they are entitled to a refund.

At that point, going back to the April 15th time 15 frame, I think they are entitled to get whatever they 16 would have been paid, because this is not a typical 17 tariff situation. This is a situation where the 18 reduction is being made to meet the FCC order. And, 19 again, if they can convince you that the FCC order 20 requires that the reduction be made in the way that 21 they advocate, then they should get that money back. 22

COMMISSIONER CLARK: Mr. Carver, and let me
 interrupt and just ask Mr. Melson. Mr. Melson, are you
 arguing that the reduction -- that the FCC order

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1 requires the reduction to be made in the CCL? 2 MR. MELSON: We are arguing -- we have got a 3 two-fold argument on that point. We are arguing first it acquires it to be made to the CCL, and second, as a 4 fallback argument that if it is discretionary with the 5 Commission that as a matter of policy it should be made б to the CCL. 7 8 COMMISSIONER CLARK: Okay. COMMISSIONER DEASON: Mr. Carver, while you're 9 interrupted let me ask you, you are indicating that 10 whatever the outcome, that MCI is going to be made 11 whole. In a nutshell, that's what you're saying. So 12 that it's not necessary for this Commission to take any 13 action at this point. 14 MR. CARVER: Yes, sir, that is BellSouth's 15 position. We believe that if MCI prevails and if they 16 show what they have to show then they will be entitled 17 to get the money back. 18 COMMISSIONER DEASON: Who is going to pay the 19

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 MR. CARVER: Well, I think BellSouth would have

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 to.

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 COMMISSIONER DEASON: Okay. And is there going to

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 be a surcharge to subscribers to business rotary

services to make up that?

refund?

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MR. CARVER: I can't answer that guestion. 1 I think as a practical matter it would probably be 2 difficult for us to convince the Commission that that 3 would be an appropriate thing to do. So I guess the 4 5 bottom line answer is if the tariff is not suspended when we go forward, then BellSouth is taking a certain 6 risk here. But our belief is that the tariff needs to 7 be implemented. Our belief is that what the Commission 8 has ruled from a legal standpoint is appropriate. 9 COMMISSIONER DEASON: So you are willing to 10 represent that BellSouth is willing to take that risk? 11 MR. CARVER: Yes, sir. 12 MR. MELSON: Commissioner Johnson, I frankly think 13 that probably solves my problem. My question had been 14 whether these monies could be reached based on 15 BellSouth's representation that they regard them at 16 risk and subject to disposition by a further Commission 17 order. I think I've got the practical relief that I 18 need. 19 MR. CARVER: And if I may add one other thing, our 20 position would not be that -- our position would be 21 that there would be no surcharge on the other 22

23 customers, because in that instance it would amount to 24 retroactive ratemaking. Thank you.

25 CHAIRMAN JOHNSON: Sprint.

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MR. REHWINKEL: Commissioners, Charles Rehwinkel on behalf of Sprint Florida, Incorporated.

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Commissioners, I may or may not have a problem here, but I kind of feel like Sprint is caught in a dispute between MCI, BellSouth, and GTE. And the reason we are caught is because we are the only other LEC to my knowledge that has made a reduction to eliminate the subsidy to payphone operations.

9 Our filing was made under the federal act, it was 10 also made in compliance with the Commission's directive 11 in the 970281 docket, which has been taken together in 12 this proceeding with the petitions that MCI has filed 13 against GTE and BellSouth.

I don't know if we have a problem, but our 14 position is we filed a tariff, the tariff went into 15 effect on April 15th, there were no protests to that 16 tariff. And even if you take MCI's argument to its 17 conclusion, we have made our reduction in switched 18 access, which it's not the CCL element, but it is in 19 switched access which we believe comports generally 20 with where MCI feels the reductions should be made. We 21 feel that the determination under the FCC act has been 22 made by operation of law by the Commission not 23 objecting to the tariff, by no party coming forward, 24 and so we just need really a determination on that 25

JANE FAUROT - 904-379-8669

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point.

COMMISSION STAFF: Staff's position on that is that Docket 970281 is a generic proceeding which applies to all LECs, and MCI has protested that docket. So if the Commission were to make a different decision regarding where the rate reduction should be made, that would have direct bearing on Sprint. And there is no way to assure Sprint that the rate reduction will remain as is, that they have presently made.

10 NR. MELSON: Commissioners, if I might, we have 11 not yet got to the issue identification meeting that 12 has been scheduled in this docket. MCI's petition, 13 protest was filed in the generic docket, but it was 14 filed as to BellSouth and GTE Florida. I don't believe 15 NCI has protested that order as to Sprint, and I don't 16 believe they are at issue in the docket.

MR. REHWINKEL: Commissioners, if that is the case then we don't have a problem. I think our concern is -- well, that's --

20 CHAIRMAN JOHNSON: Any other questions? hu.
 21 Brown, did you have a statement?

MS. BROWN: No, Commissioners, I don't want to
complicate things (inaudible; mike off) I just would
like to let you all know that that order wasn't
severable, but that's okay.

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P.13

1 CHAIRMAN JOHNSON: Comm. sioners, any questions? MR. REHWINKEL: Just so the record is clear on 2 this point, MCI, Mr. Melson's representations are 3 correct, that the relief requested appears to be 4 limited to BellSouth and GTE. And I believe under 120 5 the hearing would be on the -- the statute has been 6 7 changed, and it would be narrowly limited to the objections to the Proposed Agency Action. To the 8 extent that we are not encompassed in those objections, 9 I don't think that we should have to be at risk in the 10 hearing. And I do not think that just because you have 11 denominated the hearing as a generic proceeding that it 12 can replace or give further opportunities for 13 challenging a tariff filing that has gone into effect 14 by operation of law. 15 CHAIRMAN JOHNSON: Commissioners, is there a 16 17 motion? COMMISSIONER CLARK: I move staff. 18 CHAIRMAN JOHNSON: Is there a second? 19 COMMISSIONER GARCIA: Second. 20 CHAIRMAN JOHNSON: There is a motion and a second. 21 All those in favor signify by saying aye. 22 (Unanimous affirmative vote.) 23 CHAIRMAN JOHNSON: Show it approved unanimously. 24

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3	CERTIFICATE OF REPORTER
4	STATE OF FLORIDA)
5	COUNTY OF LEON)
6	I, JANE FAUROT, Court Reporter, do hereby certify
7	that the foregoing proceedings was transcribed from cassette
8	tape, and the foregoing pages are a true and correct record
9	of the proceedings.
10	I FURTHER CERTIFY that I am not a relative,
11	employee, attorney or counsel of any of the parties, nor
12	relative or employee of such attorney or counsel, or
13	financially interested in the foregoing action.
14	DATED THIS day of June, 1997.
15	
16	Jane Faurot.
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