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FILE COPY

July 18, 1997

BY HAND DELIVERY

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

Re: Docket Nos. 970172-TP, 970173-TP and 970281-TL

Dear Ms. Bayo:

Enclosed for filing in the above dockets are the original and fifteen (15) copies of ALLTEL Florida, Inc.'s Prehearing Statement.

We are also submitting the Prehearing Statement on a 3.5" high-density diskette generated on a DOS computer in WordPerfect 5.1 format.

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.

Sincerely,



J. Jeffrey Wahlen

ACK \_\_\_\_\_

AFA 2

APP \_\_\_\_\_

CAF \_\_\_\_\_

CMU \_\_\_\_\_ Enclosures

CTR \_\_\_\_\_ cc: All parties of record

EAG \_\_\_\_\_ all/970281.byo

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DOCUMENTS UPDATE

07243 JUL 18 1997

FILED IN THE PUBLIC RECORDS

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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 governing federally  
mandated deregulation of local  
exchange company payphones

DOCKET NO. 970281-TL

Dated: July 18, 1997

ALLTEL FLORIDA INC.'S PREHEARING STATEMENT

Pursuant to Order No. PSC-97-0721-PCO-TP, ALLTEL FLORIDA, INC.  
("ALLTEL" or the "Company") files this Prehearing Statement:

- A. WITNESS: ALLTEL will sponsor the direct testimony of Harriet E. Eudy.
- B. EXHIBITS: ALLTEL has one exhibit (HEE-1).

DOCUMENT NUMBER-DATE

07243 JUL 18 97

RECORDS/REPORTING

C. BASIC POSITION: There is no subsidy that needs to be eliminated as a result of these dockets.

D-G. ISSUES AND POSITIONS:

Issue 1: What is the amount of intrastate payphone subsidy, if any, that needs to be eliminated by the Company pursuant to Section 276(B)(1)(b) of the Telecommunications Act of 1996?

Position: None.

Issue 2: If an intrastate payphone subsidy is identified in Issue 1, do the FCC's Payphone Reclassification Orders require the Florida Public Service Commission to specify which rate element(s) should be reduced to eliminate such subsidy?

Position: If there is a subsidy to be eliminated, the states must determine the intrastate rate elements; however, the FCC Order does not specify specific rate elements to be reduced.

Issue 3: If an intrastate payphone subsidy is identified, what is the appropriate rate element(s) to be reduced to eliminate such subsidy?

Position: There is no intrastate payphone subsidy that needs to be eliminated. However, if a subsidy is identified and needs to be eliminated, the reduction should be applied as part of the 5% annual access reduction (rather than in addition to), via the intrastate carrier common line rate element ("CCL"). If the reduction is not going to be applied as part of the 5% annual access reduction (rather than in addition to), the reduction should be applied to intraLATA toll rates.

Issue 4: If necessary, by what date should revised intrastate tariffs that eliminate any identified intrastate payphone subsidy be filed?

Position: If the reduction is applied as part of the 5% annual access reduction (rather than in addition to) by applying it to the intrastate carrier common line rate element ("CCL"), the

tariff filing should be made so that the tariff would be effective on October 1, 1997. Otherwise, the tariffs should be required to be filed within 30 days of the date of the final order.

**Issue 5:** Is April 15, 1997, the appropriate effective date for revised intrastate tariffs that eliminate any identified intrastate payphone subsidy?

**Position:** No. None of the PAA protests in this case were directed to the Company, and no one has challenged the Company's intrastate tariff. Likewise, the FPSC has not issued an order requiring that the Company hold any relevant revenues subject to refund. Since ALLTEL is not in an overearning position, there would be no basis for holding revenues subject to refund anyway.

**Issue 6:** Should these dockets be closed?


**Position:** Yes.

H. **STIPULATIONS:** The Company is not aware of any pending stipulations at this time.

I. **PENDING MOTIONS:** The Company is not aware of any pending motions at this time.

J. **COMPLIANCE WITH ORDER ON PREHEARING PROCEDURE:** The Company does not know of any requirement of the Order on Prehearing Procedure with which it cannot comply.

DATED this 18th day of July, 1997.

  
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J. JEFFRY WAHLEN  
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(850) 224-9115

ATTORNEYS FOR ALLTEL

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U. S. Mail or hand delivery (\*) this 18th day of July, 1997, to the following:

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