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September 11, 1998

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

In re: Docket No. 970808-TL

John Vaughan

Dear Ms. Bayo:

Enclosed please find the original and 15 copies of GTC, Inc.'s Motion for Reconsideration and Motion to Stay the Effectiveness of the Final Order in Docket No. 970808-TL.

Copies have been provided to each party as indicated in the Certificate of Service.

Sincerely,

David B. Erwin

Attorney for GTC, Inc.

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APP Copy to:

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09980 SEP 11 8

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of BellSouth Telecommunications, Inc. to remove interLATA access subsidy received by St. Joseph Telephone & Telegraph Company.

DOCKET NO. 970808-TL

FILED: September 11, 1998

MOTION FOR RECONSIDERATION and MOTION TO STAY THE EFFECTIVENESS OF THE FINAL ORDER IN THE DOCKET

GTC, Inc. (hereinafter GTC), pursuant to Rule 25-22.060(1)(a), F.A.C., moves for reconsideration of the Commission's final Order No. PSC-98-1169-FOF-TL in this docket and to stay the effectiveness of the order, and, in support of said motions states as follows:

- 1. GTC is adversely affected by Order No. PSC-98-1169-FOF-TL; GTC will immediately be deprived of the amount of \$1,223,000 a year, as soon as BellSouth Telecommunications, Inc. (hereinafter BellSouth) files a tariff reducing some BellSouth customer rate by the amount of \$1,223,000 a year. In such event GTC would suffer irreparable harm unless a stay is granted, since GTC would have no mechanism available to obtain replacement access revenue from IXCs.
- 2. GTC is entitled to a stay pending resolution of this motion for reconsideration and any appeal subsequent thereto, since the action of the Commission is tantamount to a decrease in rates, for which the Commission would be obliged to enter a stay, pursuant to Rule 25-22.061(1)(a), F.A.C., conditioned upon the posting of a good and sufficient bond or a corporate undertaking.

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09980 SEP II #

The action of the Commission is the exact equivalent of reducing GTC's access rates to its IXC access customers, since the revenue received from the access subsidy is access revenue from IXCs which is funneled through BellSouth, the acting subsidy administrator, to GTC. (TR 120, Direct Testimony of Staff Witness, Dale Mailhot.)

GTC will file a corporate undertaking, or if required by the Commission, GTC will post a good and sufficient bond.

- 3. The standard for review for a motion for reconsideration is whether the motion identifies some point of fact or law which was overlooked or which the Commission failed to consider in rendering its order. <u>Diamond Cab Co. v. King</u>, 146 So. 2d 889 (Fla. 1962); <u>Pingree v. Quaintance</u>, 394 So. 2d 161 (Fla. 1st D.C.A. 1981). GTC submits that this motion for reconsideration will satisfy the standard for review established by the courts of this state.
- 4. On April 6, 1998, GTC filed its "Petition to Terminate Access Subsidy and Convert to Payment of Access Charge Revenue Directly to GTC, Inc." The Petition was docketed as Docket No. 980498-TP. There was initially a suggestion by Chairman Julia Johnson that Docket No. 980498-TP be consolidated with Docket No. 970808-TL for consideration at the May 20, 1998 hearing. However, the Prehearing Officer, Commissioner Terry Deason, asked that Docket No. 980498-TP be separated from consideration with Docket No. 970808-TL at the May 20, 1998 hearing, noting that the dockets had never been formally consolidated for hearing. (See Memo to Julia Johnson from Terry Deason, dated May 5, 1998, a copy of which is attached hereto.)

In fact, only the Petition of BellSouth was heard on May 20, 1998. Nevertheless, the Commission Order in Docket No. 970808-TL, addresses the subject matter of Docket No. 980498-TP, and resolves the issues in that docket in such a manner that GTC could never obtain

relief in Docket No. 980498-TP.

Order No. PSC-988-1169-FOF-TL authorizes BellSouth to reduce some customer rate in an amount equal to the \$1,223,000 annual GTC subsidy reduction. Once BellSouth has made a \$1,223,000 reduction to a customer rate, the Petition of GTC in Docket No. 980498-TP could no longer be granted. BellSouth can not be asked to reduce access charges by \$1,223,000 when the reduction has already been made to another rate.

It is evident that in issuing Order No. PSC-98-1169-FOF-TL in Docket No. 970808-TL, the Commission overlooked and failed to consider the ramifications of its actions in the context of the Petition of GTC to redirect the payment of access charges from IXCs through BellSouth to GTC and require that those access charges be paid directly to GTC.

The failure of the Commission to consider the existence of GTC's Petition in Docket No. 980498-TP, which is never mentioned in the Staff Recommendation or the final order, constitutes a deprivation of due process to GTC. GTC no longer has any reasonable expectation of being heard in Docket No. 980498-TP, since the Commission has inadvertently eliminated the possibility of the very relief sought by GTC in that Docket by allowing BellSouth to reduce a customer rate instead of access charges.

5. The Commission has departed from the essential requirements of the law by failing to give proper and adequate consideration to the Florida Telecommunications Act of 1995 in determining that the Commission could eliminate the subsidy.

WHEREFORE and in consideration of the above, GTC, Inc. respectfully moves the Commission to reconsider Order No. PSC-98-1169-FOF-TL and to grant a stay of the

effectiveness of Order No. PSC-98-1169-FOF-TL pending resolution of the motion for reconsideration.

Respectfully Submitted,

David B. Erwin 127 Riversink Road Crawfordville, FL 32327 850.926.9331

Attorney for GTC, Inc.

CERTIFICATE OF SERVICE DOCKET NO. 970808-TL

I HEREBY CERTIFY that a true copy of the Motion for Reconsideration and Motion to Stay the Effectiveness of the Final Order in Docket No. 970808-TL, has been furnished by U. S. Mail or by hand delivery this 11th day of September, 1998 to the following:

Beth Keating Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Nancy B. White/Robert G. Beatty BellSouth Telecommunications 150 S. Monroe Street Tallahassee, FL 32301

Tracy Hatch AT&T 101 N. Monroe Street, Suite 700 Tallahassee, FL 32301 Jack Shreve/Charles Beck Office of Public Counsel 111 W. Madison Street 812 Claude Pepper Building Tallahassee, FL 32399-1400

David B. Erwin