

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Implementation of ) DOCKET NO. 910496-TP  
Florida Telecommunications ) ORDER NO. PSC-95-1492-FOF-TP  
Access System Act of 1991. ) ISSUED: December 1, 1995  
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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 EXTENDING WAIVERS AND  
DENYING CREDIT FOR TERMINATING ACCESS CHARGES

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.

I. BACKGROUND

The Telecommunications Access System Act of 1991 (TASA) became effective May 24, 1991 and is found in Chapter 427, Part II of the Florida Statutes. One purpose of TASA is to fill the need for a telecommunications relay system whereby the cost for access to basic telecommunications services for persons who have a hearing or speech impairment is no greater than the amount paid by other telecommunications customers.

MCI Telecommunications Corporation (MCI or Company) is currently the provider of the relay system pursuant to contract with this Commission. The Commission's contract with MCI for the provision of the relay system requires that MCI deliver intraLATA toll calls to the local exchange telephone company (RFP, C-34). By Order No. PSC-92-0185-FOF-TP, the Commission required that LECs accept and process such traffic from MCI for termination and billing to the LECs' subscribers. However, a number of LECs indicated the traffic involved did not justify the expense of

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modifying their billing systems or of implementing a manual billing process. Accordingly, by Order No. PSC-92-0338-FOF-TP, the Commission authorized exemptions from the billing requirement for LECs not prepared to bill local extended calling scope and toll relay traffic handed off by MCI. In addition, we directed our staff to investigate MCI's assertion that it should receive a credit for terminating switched access charges for those local and intraLATA relay calls handed off to LECs for billing their customers directly.

On May 22, 1992, temporary waivers were granted to ALLTEL Florida, Inc.; Central Telephone Company of Florida; Florala Telephone Company; Gulf Telephone Company; Indiantown Telephone System, Inc.; Northeast Florida Telephone Company, Inc.; Quincy Telephone Company; Frontier Telephone Company (then Southland Telephone Company); St. Joseph Telephone & Telegraph Company and Vista-United Telecommunications. As discussed below in greater detail, it appears that these temporary waivers should continue until May 31, 1997, the last day of the Commission's current contract with MCI.

## II. EXTENSION OF WAIVERS

Pursuant to Order No. PSC-92-0338-FOF-TP, ALLTEL Florida, Inc.; Central Telephone Company of Florida; Florala Telephone Company; Gulf Telephone Company; Indiantown Telephone System, Inc.; Northeast Florida Telephone Company, Inc.; Quincy Telephone Company; Southland Telephone Company (now Frontier); St. Joseph Telephone & Telegraph Company and Vista-United Telecommunications were all granted a temporary waiver of the requirement to bill their respective subscribers for local and intraLATA relay traffic.

Each LEC with a waiver was recently polled to determine if the temporary waivers are still necessary. Each company responded that its waiver should remain in place. The companies maintain that the costs to modify their billing systems to process a limited volume of relay calls is not justified. The companies all propose that the relay provider continue to bill intraLATA toll relay calls directly to the LECs' subscribers. With respect to local optional calling plan calls, MCI treats such calls as local and does not bill them to subscribers.

MCI, as the relay system provider, has been operating this way since 1992 without complaints from subscribers and can continue to do so. MCI's contract for providing relay service will expire May 31, 1997. At that time a new contract will be in place and the requirement for LEC billing of intraLATA traffic may or may not be

appropriate. We note, however, that if anyone claims harm from paying MCI's relay toll rate instead of a LECs' discounted intraLATA toll rate, the issue of the waivers may need to be revisited. If there are differences in the intraLATA charges between a LEC and MCI, it appears that such differences are minor. Therefore, absent such a complaint, we find that the temporary waivers granted pursuant to Order No. PSC-92-0338-FOF-TP should be extended until May 31, 1997.

### III. CREDIT FOR TERMINATING SWITCHED ACCESS

In Order No. PSC-92-0338-FOF-TP we directed our Staff to review MCI's request for a credit on terminating access charges for local and intraLATA relay calls billed by LECs. There remains disagreement between MCI and LECs as to whether the credit is appropriate. Although we see some equity in MCI's request, there does not appear to be any jurisdiction in which the credit MCI requests is provided to the relay provider.

No new arguments have been developed on this issue since it was first presented to us in May of 1992. It does not appear from the information before us that MCI should get a credit for the terminating switched access charges on LEC billed intraLATA toll relay calls. First, there is a cost associated with terminating relay calls and MCI should pay access charges to cover those costs which are incurred by the LEC. This is similar to the situation that occurs with local calls for which the LEC gets no incremental revenue for the relay call and yet incurs access costs to originate and terminate the call. Second, the RFP required that intraLATA toll calls and their associated revenues go to the local exchange company and neither the RFP nor MCI's proposal indicate that there would be any credit for access charges. Therefore, MCI's bid price should cover the costs of access for intraLATA calls. Since MCI is being reimbursed for all of its costs for operating the relay system, including terminating access charges on intraLATA toll, it should not also get a credit for those costs.

Upon consideration of the foregoing, we find that MCI should not get a credit on terminating switched access charges for local and intraLATA relay traffic billed by LECs.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the temporary waivers granted pursuant to Order No. PSC-92-0338-FOF-TP shall be extended until May 31, 1997, as set forth in the body of this Order. It is further

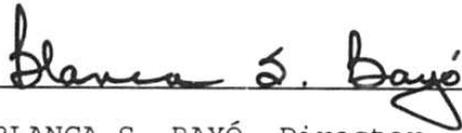
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ORDERED that MCI Telecommunications Corporation shall not get a credit on terminating switched access charges for local and intraLATA relay traffic billed by LECs as set forth in the body of this Order. It is further

ORDERED that this Order shall become final and effective unless an appropriate petition is filed in accordance with the "Notice of Further Proceedings or Judicial Review" as set forth below. It is further

ORDERED that this docket shall remain open.

By ORDER of the Florida Public Service Commission, this 1st day of December, 1995.



BLANCA S. BAYÓ, Director  
Division of Records and Reporting

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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.

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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 22, 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.