

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: PETITION FOR REVIEW OF RATES)	DOCKET NO. 860723-TP
AND CHARGES PAID BY PATS PROVIDERS)	ORDER NO. 22385
TO LECs)	ISSUED: 1-9-90
)	

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman
 THOMAS M. BEARD
 BETTY EASLEY
 GERALD L. GUNTER
 JOHN T. HERNDON

ORDER APPROVING TARIFF PROPOSALS AND
DIRECTING THAT CERTAIN CHARGES BE HELD
SUBJECT TO REFUND

BY THE COMMISSION:

By Order No. 21614, issued July 27, 1989, we proposed requiring all local exchange companies (LECs) to bill, collect, and remit to nonLEC pay telephone (PATS) providers the up to \$1.00 surcharge on 0- and 0+ intraLATA LEC-handled calls placed from nonLEC pay telephones. Additionally, we stated that the LECs should separately identify nonLEC pay telephone calls on customer bills as part of their billing and collection service. Finally, we required the LECs to file the necessary tariffs to implement these new requirements as soon as possible, but no later than January 1, 1990. No protest was filed to our proposal, so Order No. 21614 became final on August 18, 1989, as reflected in Order No. 21761, issued August 21, 1989.

On November 1, 1989, the LECs began filing tariff proposals in response to Order No. 21614. Our December 19, 1989, Agenda Conference was set as the date for us to review the LECs' tariff proposals. As of December 7, 1989, the date our staff filed its recommendation, the following LECs had submitted tariff proposals in response to Order No. 21614: Central Telephone Company of Florida (Centel); GTE Florida,

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Inc. (GTEFL); Gulf Telephone Company (Gulf); Indiantown Telephone System, Inc. (Indiantown); Northeast Florida Telephone Company, Inc. (Northeast); St. Joseph Telephone and Telegraph Company (St. Joe); Southern Bell Telephone and Telegraph Company (Southern Bell); Southland Telephone Company (Southland); United Telephone Company of Florida (United); and Vista-United Telecommunications (Vista-United). Subsequent to staff's filing of its recommendation, the Florala Telephone Company (Florala) also filed its tariff proposal. As of the date of staff's recommendation, neither ALLTEL Florida, Inc. (ALLTEL) nor Quincy Telephone Company (Quincy) had filed the necessary tariffs; rather, both companies had filed Motions for Extension of Time. ALLTEL requested an extension until April 1, 1990, while Quincy requested an extension until June 1, 1990. Subsequently, ALLTEL filed its tariff, negating the need for an extension of time. During our Agenda Conference, Quincy agreed to timely file its tariff, but renewed its request for an extension of time relative to its ability to segregate these charges on customer bills.

While it is mandatory for the LECs to offer billing and collection of the PATS surcharge for certain calls, subscription to the service is optional and is available only to nonLEC PATS providers. In this scenario, the PATS surcharge is applicable to all 0+ and 0- intraLATA intrastate completed toll calls that originate from nonLEC pay telephones which have subscribed to this service. By existing order in this docket, the PATS surcharge is limited to no more than \$1.00.

The tariff proposals filed by the LECs are similar in most respects. Each tariff provides for a nonrecurring service charge at the time the service is established, as well as a recurring charge on a per message basis. Additionally, each tariff imposes a secondary service charge for initiation of the service, with the exception of Vista-United. The nonrecurring and recurring charges to be imposed by the LECs are as follows:

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<u>Company</u>	<u>Nonrecurring Charge</u>	<u>Recurring Charge</u>
ALLTEL	\$ 33.00	\$.06
Centel	17.57	.0666
Floral	30.00	.09
GTEFL	30.00	.09
Gulf	30.00	.09
Indiantown	23.35	.07
Northeast	23.35	.07
Quincy	30.00	.09
St. Joe	30.00	.09
Southern Bell	23.35	.07
Southland	30.00	.245
United	12.00	.0837
Vista-United	30.00*	.09**

*Originally proposed at \$2068.00

**Originally proposed at \$.11

All of the tariff proposals include a fixed surcharge amount of \$.75 per call, to be billed by the LEC. It is our understanding that this amount was agreed upon by the LECs and by a majority of the membership of the Florida Pay Telephone Association, Inc. (FPTA), as a compromise measure due to the LECs' inability to bill a flexible amount for the surcharge. We also understand that FPTA has requested Southern Bell to continue to investigate the possibility of developing a method to bill the surcharge in varying amounts, and we concur with the need for such action.

Upon consideration, we find it appropriate to approve these tariff filings. While we have some concerns about the variation in the amount of the recurring charge from LEC to LEC, we believe that each company has adequately justified its recurring charge. The same cannot be said, however, for the nonrecurring charges. FPTA has strongly opposed the imposition of any nonrecurring charge, but especially so in the case of existing nonLEC pay telephones. While we do not believe it is appropriate to totally eliminate nonrecurring charges because this new service does have costs associated with implementation, we are not satisfied that the present charges are prudent and justified in every case. Rather than suspend or deny these tariff filings and delay implementation of this vital new service, we hereby order that all nonrecurring

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charges imposed for initiation of this service shall be collected by the LECs and shall be held subject to refund, effective January 1, 1990, pending our further investigation into the matter of the nonrecurring charges.

We note also that all the LECs that impose a secondary service charge for initiation of this service have proposed a waiver of this charge for a period of sixty (60) days, beginning January 1, 1990. We approve this waiver.

Finally, we find it appropriate to grant Quincy's Motion for Extension of Time until June 1, 1990, but only as it relates to Quincy's ability to segregate these calls on its bills.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the proposed tariffs of ALLTEL Florida, Inc., Central Telephone Company of Florida, Florala Telephone Company, GTE Florida, Inc., Gulf Telephone Company, Indiantown Telephone System, Inc., Northeast Florida Telephone Company, Inc., Quincy Telephone Company, St. Joseph Telephone and Telegraph Company, Southern Bell Telephone and Telegraph Company, Southland Telephone Company, United Telephone Company, and Vista-United Telecommunications, to implement the billing and collection requirements of Order No. 21614, are hereby approved effective January 1, 1990, to the extent outlined in the body of this Order. It is further

ORDERED that all nonrecurring charges imposed for initiation of this service shall be collected by the local exchange companies and held subject to refund in accordance with the terms set forth herein, effective January 1, 1990. It is further

ORDERED that all local exchange companies shall waive secondary service charges for the initiation of this service for a period of sixty (60) days, effective January 1, 1990. It is further

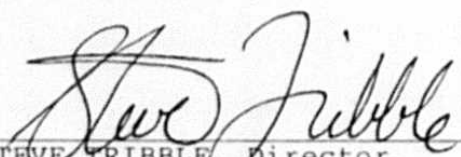
ORDERED that the Motion for Extension of Time filed on November 1, 1989, by Quincy Telephone Company is hereby granted in part and denied in part, to the extent outlined herein. It is further

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ORDERED that the Motion for Extension of Time filed on November 1, 1989, by ALLTEL Florida, Inc. is now moot for the reasons set forth herein. It is further

ORDERED that this docket shall remain open.

By ORDER of the Florida Public Service Commission
this 9th day of JANUARY, 1990.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

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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.

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 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

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in the case of a water or sewer 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.