BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Determination of) DOCKET NO. 961049-TI Appropriate Method for Refunding) ORDER NO. PSC-96-1350-FOF-TI Overcharges on Intrastate Long) ISSUED: November 18, 1996 Distance Service Provided by) Teltrust Communications) Services, Inc., for Calls Placed) from Pay Telephones)

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 ACCEPTING REFUND PROPOSAL

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.

Teltrust Communications Services, Inc. (Teltrust or company) is an interexchange carrier, which has been providing operator services since March 23, 1993, under Certificate No. 3154.

Our staff engineers routinely evaluate pay telephones for call timing and billing accuracy. On April 4, 1996, our staff made a calling card test call on a Teltrust pay telephone in the New Smyrna Beach area. A call was placed to our test number in Tallahassee and billed to a calling card account established for testing purposes. The call lasted one minute and 39 seconds, which should have been rounded up to two minutes according to Teltrust's tariff. Our staff's timing device, which is installed on our test line, begins the timing when the answering machine answers (answer supervision) and terminates timing when the call is released. The subsequent billing for that call revealed the Commission was billed for a three minute call.

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Our staff asked Teltrust for an explanation of the apparent discrepancy on May 28, 1996. Teltrust responded on June 27, 1996, explaining that its records showed the call lasted two minutes and 33 seconds, was rounded up to the next full minute per its tariffs, and, therefore, was rated correctly. On July 2, 1996, our staff related to Teltrust how the Commission's test equipment works and provided a copy of the tape, which illustrated that the call in question lasted for one minute and 39 seconds. Our staff requested Teltrust to make some test calls to determine call timing accuracy.

Teltrust responded by letter dated July 26, 1996, that it conducted test calls that revealed completed calls were billed at "switch seizure" rather than at "answer supervision." "Switch seizure" occurs when the long distance carrier's point of presence is accessed; "answer supervision" occurs when the called party answers. This caused end users to be overbilled by approximately one minute on long distance calls made between January 27 and July 13, 1996.

Teltrust further explained that its technical operations department made a change on January 27, 1996, that was intended to affect only a few accounts with traffic originating from outside Florida. Teltrust stated that even though Florida accounts were not scheduled for the change, they were inadvertently included. After Teltrust discovered its error, it promptly instructed its data entry group to change all billing to answer supervision effective July 13, 1996. To prevent future overbilling, Teltrust implemented an internal policy that requires the approval and signature of Teltrust's regulatory affairs manager before any change can be made that affects the rating and/or timing of calls. Teltrust also proposed to directly credit those overbilled customers via its billing company, Zero Plus Dialing, Inc., on end users' telephone bills between October 28 and November 30, 1996.

Teltrust determined that 49,303 calls made between January 27 and July 13, 1996, were overbilled by one minute. Based on the time of day and mileage of the calls, the company calculated that it had overbilled customers \$8,182.82. We find it appropriate to accept Teltrust's calculation of the amount overbilled. Further, we hereby require Teltrust to make refunds pursuant to Rule 25-4.114, Florida Administrative Code, in the amount of \$8,496.89, which includes the proper amount of interest, \$314.07. Teltrust shall credit the bills of end users that it can identify for the one minute overbilling, plus interest. The credit shall appear on their local telephone company statement through Teltrust's billing agent, Zero Plus Dialing, Inc. The refunds shall be completed by making the credits between November 18 and December 31, 1996. Any remaining monies, including interest, due unidentified consumers, ORDER NO. PSC-96-1350-FOF-TI DOCKET NO. 961049-TI PAGE 3

shall be remitted to the Florida Public Service Commission and deposited in the General Revenue Fund, pursuant to Chapter 364.285 (1), Florida Statutes.

We will not require Teltrust to show cause why it should not pay a fine for overbilling intrastate long distance calls from pay telephones, because the company's response was proper and prompt. This docket shall be closed when the refund has been completed and if at the end of the protest period no protest is filed.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Teltrust Communications, Inc.'s refund proposal as herein described is accepted. It is further

ORDERED that any monies that cannot be refunded shall be remitted to the Florida Public Service Commission and deposited in the General Revenue Fund, pursuant to Chapter 364.285 (1), Florida Statutes. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective unless an appropriate petition, in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event this Order becomes final, this Docket shall be closed upon completion of the refund.

By ORDER of the Florida Public Service Commission, this <u>18th</u> day of <u>November</u>, <u>1996</u>.

BLANCA S. BAYÓ, Director Division of Records and Reporting

(SEAL)

CJP

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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.

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 <u>December 9, 1996</u>.

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.