FLORIDA PUBLIC SERVICE COMMISSION Capital Circle Office Center . 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

MEMORANDUM

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FPSC - Records/Reporting

TO:

DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM:

DIVISION OF COMMUNICATIONS (HAWKINS)(777) DIVISION OF LEGAL SERVICES (COX)

RE:

DOCKET NO. 976535-TC - SPRINT COMMUNICATIONS COMPANY LIMITED PARTNERSHIP - PETITION FOR EXEMPTION FROM RULES AND ORDERS WHICH PROHIBIT CONCENTRATION OF LINES SERVICES FOR CALLS MADE FROM STORE-AND-FORWARD PAY TELEPHONES LOCATED IN CONFINEMENT INSTITUTIONS.

AGENDA: 07/15/97 - REGULAR AGENDA - PROPOSED AGENCY ACTION -

INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES:

09/03/97 - STATUTORY DATE

SPECIAL INSTRUCTIONS: S:\PSC\CMU\WP\970535.RCM

CASE BACKGROUND

Sprint Communications Company Limited Partnership (Sprint LP) holds pay telephone Certificate No. 5359, with an effective regulation date of June 11, 1997. Presently, Sprint LP does not provide service within the State of Florida.

On May 6, 1997, Sprint LP filed a waiver petition of those rules and policies currently prohibiting Sprint LP from installing concentrators to allow up to three instruments per access line for The Notice of its payphones located in confinement facilities. Petition for Waiver was submitted to the Secretary of State for publication in the Florida Administrative Weekly on May 14, 1997. No comments were submitted during the comment period which ended June 13, 1997. The statutory deadline for the Commission's decision regarding this petition is September 3, 1997. petition is more properly a petition for exemption authorized by Rule 25-24.505(3), Florida Administrative Code.

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By Order No. 14529, issued July 1, 1985, the Commission required that only one pay telephone instrument be installed per access line. Local exchange company (LEC) tariffs generally reflect this requirement and contain language requiring pay telephone providers to order a separate public telephone access line for each telephone instrument installed. In addition, the provisions of Rule 25-24.515(9), Florida Administrative Code, require each telephone instrument to be connected as provided in the LEC's access tariff.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission grant Sprint LP's petition for an exemption from the provisions of Rule 25-24.515(9), Florida Administrative Code, and Order 14529 which prohibit Sprint LP from installing up to three pay telephone instruments per access line in confinement facilities?

RECOMMENDATION: Yes, the exemption should be granted for Sprint LP's pay telephones located in confinement facilities only and provided there is a concentration of no more than three pay telephone instruments per access line, or the equivalent thereof on T-1 facilities. (HAWFINS)

STAFF ANALYSIS: The policy of a one to one ratio of payphone instruments to access lines was established in Order No. 14529, issued July 1, 1985, which states:

We find that it is also in the public interest that we require one PATS instrument per coin access line. We reach this conclusion in the effort to avoid a payphone customer getting a busy signal when he attempts to use the payphone when an emergency arises. The probability of getting a busy signal increases when a line is shared by several PATS instruments.

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LEC tariffs contain language requiring pay telephone providers to order a separate public telephone access line for each telephone instrument installed. In addition, Rule 25-24.515(9), Florida Administrative Code, states, "each telephone station must be connected as provided in the pay telephone access tariff offered by the local exchange company."

Confinement facilities have their own emergency response systems in place, and Rule 25-24.515(15), Florida Administrative Code, exempts payphones located in confinement facilities from the requirement to provide access to 911. For these reasons, the concern with inmates getting a busy signal when they try to reach emergency services is moot.

The Commission has already granted similar waivers to ATN, Inc., North American InTeleCom, Inc., BellSouth Telecommunications, MCI Telecommunications Corporation and Gateway Technologies, Inc. to provide up to three to one line concentration within inmate facilities.

Staff believes that a three to one ratio of payphones to access lines, or the equivalent thereof on T-1 facilities, will allow adequate access to telephone service by the inmate population. However, if the administrators of a correctional facility are not satisfied with the level of access, we believe that Sprint LP will be responsive to the facility as failure to do so might jeopardize its contract for pay telephone service.

Staff recommends that Sprint LP's petition be granted under the authority of Chapter 120.542, Florida Statutes. Sprint LP has demonstrated that the purpose of Chapter 364.01 and 364.3375, Florida Statutes, would be served in granting this waiver request, as adequate pay telephone service will be maintained. Moreover, Chapter 364, Florida Statutes, does not specifically address the inmate payphone environment. Sprint LP has demonstrated that the enforcement of this requirement, one to one concentration, would cause substantial hardship on Sprint LP and the Department of Corrections as it would force the purchase of more pay telephone access lines than are necessary.

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ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, this docket should be closed unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the Proposed Agency Action. A protest filed by a local exchange company shall be applicable only to that local exchange company's territory and shall not prevent Sprint LP from using a concentration of no more that three pay telephone instruments per access line in a non-protesting LEC's territory. (COX)

STAFF ANALYSIS: This docket should be closed unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the Proposed Agency Action.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition of Sprint Communications)	0.1-025
Company Limited Partnership for Exemption)	970535
From Orders, Rules and Regulations Which)	Docket No.
Prohibit Concentration of Line Services For)	
Calls Made From Store-and-Forward Pay)	Filed: May 6, 1997
Telephones Located in Confinement Institutions.)	

PETITION FOR WAIVER

Comes now Sprint Communications Company Limited Partnership, ("Sprint"), pursuant to Commission Rule 25-24.505(3), Florida Administrative Code, and petitions the Florida Public Service Commission ("Commission") for exemption from thos: Orders, Rules and Regulations of the Commission prohibiting Sprint from utilizing line concentration in the provision of store-and-forward pay telephones to inmates of confinement institutions within the state of Florida. In support of its petition, Sprint states as follows:

Petitioner's name and address are:

Sprint Communications Company Limited Partnership 3100 Cumberland Circle Atlanta, Georgia 30339 Telephone: (404) 649-5144

Facsimile: (404) 649-5174

All notices, orders or documents regarding this petition should be directed to:

Benjamin W. Fincher
Attorney, State Regulatory
Sprint Communications Company Limited Partnership
3100 Cumberland Circle
Atlanta, Georgia, 30339
Telephone: (404) 649-5145
Facsimile: (404) 649-5174

- Sprint, a Delaware Limited Partnership, filed its application with the Commission for Certificate to Provide Pay Telephone Service on April 4, 1997.
 Sprint's application is pending under Docket No. 970426-TC.
- 4. Upon Commission approval of its application for Certificate to Provide Pay Telephone Service, Sprint proposes to offer pay telephone services to inmates of confinement institutions within the state of Florida, similar to services it currently offers in other jurisdictions.
 - A. The Florida Department of Corrections has award of Sprint a contract valued at up to \$65 million to provide long distance telephone services for inmates at 53 correctional facilities, including work camps and road facilities, throughout the State of Florida. The contract provides for an initial term of three years service, with two one-year renewal options.
 - B. Pursuant to the Florida Department of Corrections contract, Sprint will install telephones, provide call monitoring and other security measures and equipment. Sprint will provide staff members to operate all elements of the service.
 - C. To ensure security, the Sprint system allows the State of Florida to assign a personal identification number ("PIN") to each inmate in order that calling can be tracked, restricted to specific numbers, or prohibited at certain times, as may be appropriate. The system also can record or monitor live calls, and can automatically alert the called party that the incoming call is from an inmate in a correctional facility.
 - These and other security features have allowed correctional institutions in other states to prevent inmate credit card and other fraud, break

up a drug ring and capture an escaped inmate who used the phone to arrange for a pick-up outside the institution.

E. Sprint will install on-site telephone equipment and provide personnel to administer and maintain the system. Sprint will arrange for the provision of all switching equipment and software necessary to operate the service and detect fraud. Long distance telephone service will be provided over the Sprint network..

5. Sprint seeks exemption from those Orders, Rules and Regulations of the Commission restricting concentration of access lines connected to Sprint's equipment and instruments. Where traffic permits, Sprint desires to install its call processing systems with fewer access lines than instruments. The use of line concentration allows Sprint to deploy a greater number of instruments in facility locations which would not normally warrant dedicated access lines. A greater number of telephones simplifies a confinement institution's management of inmate access to telecommunications services.

6. Rules regarding line concentration were first adopted by the Commission in Order No. 14529, issued July 1, 1985. By this order, the Commission requires one pay telephone instrument be installed per access line. Order 14529 requires one PATS instrument per access line on order to prevent a busy signal when a customer or user attempts to use the payphones during an emergency situation.

Rule 25-24.515(9), Florida Administrative Code, further requires that each telephone station must be connected as provided in the pay telephone access tariff offered by the Local Exchange Company ("LEC") serving the institution. LEC tariffs generally contain language which permits only one instrument per line. The

exemption requested by Sprint is similar to those already granted by the Commission to other carriers.\(^1\) In its orders granting waivers to ATN, Inc., the Commission recognized that confinement institutions have their own emergency response systems in place and Rule 25-24.515(15), Florida Administrative Code, exempts payphones located in confinement facilities from the requirement to provide access to 911. For these reasons, the Commission described as moot the requirement for one instrument per line with respect to emergency calls in confinement institutions.

7. Sprint will design and engineer its systems so that the number of access lines installed is sufficient to support inmate call traffic during the busiest hour of the day. Should the exemption requested herein be granted, Sprint agrees to use no more than three telephone instruments per LEC access line in those confinement institutions it will serve.

In Re: Petition for waiver of rules and orders which currently prohibit concentration of line services for calls made from store-and-forward coinless pay telephones located in confinement facilities, and for such other relief as may be appropriate, by ATN, Inc., Docket No. 960805-TC, Order No. PSC-96-1157-FOF-TC, Issued September 17, 1996.

WHEREFORE, Sprint Communications Company Limited Partnership respectfully requests, subject to approval of its application for certification in Docket No. 970426-TC, that the Commission:

- (1) Grant Sprint exemption from the provisions of Rule 25-24.515(9), Florida Administrative Code, and the Commission's Order No. 14529 issued July 1, 1985 relating to line concentration; and
 - (2) Grant Sprint such other relief as may be appropriate in the circumstances.

Respectfully submitted,

Sprint Communications Company Limited Partnership

Benjamin W. Fincher 3100 Cumberland Circle Atlanta, Georgia 30339 Mailstop: GAATLNO802 (404) 649-5145

Everett Boyd, Jr., Esquire Ervin, Varn, Jacobs & Ervin 305 South Gadsden Street Post Office Drawer 1170 Tallahassee, Florida 32301 (904) 224-9135

Attorneys for Sprint Communications Company Limited Partnership