BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of FLORIDA RADIO TELE-) PHONE ASSOCIATION, INC. to implement a) separate one-way DID trunk service) offering and rate in the mobile services) tariff of SOUTHERN BELL TELEPHONE AND) TELEGRAPH COMPANY, GTE FLORIDA) INCORPORATED, UNITED TELEPHONE COMPANY) OF FLORIDA and CENTRAL TELEPHONE COMPANY) OF FLORIDA)

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman THOMAS M. BEARD BETTY EASLEY GERALD L. GUNTER FRANK S. MESSERSMITH

NOTICE OF PROPOSED AGENCY ACTION ORDER DENYING PETITION

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 adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

On February 6, 1990, the Florida Radio Telephone Association (FRTA) filed a petition to implement a separate one-way Direct Inward Dialing (DID) trunk service offering and rates in the mobile interconnection tariffs of Southern Bell Telephone and Telegraph Company (Southern Bell), GTE Florida Incorporated (GTEFL), Central Telephone Company of Florida (Centel), and United Telephone Company of Florida (United). The petition seeks to lower the inward trunk rates for Radio Common Carriers (RCCs) which were placed into effect by Order No. 20475, issued December 20, 1988.

We addressed the issue of the appropriate rates to charge RCCs for interconnection with the Local Exchange Companies (LECs) in Docket No. 870675-TL. In Order No. 20475, we concluded that, based on the record, the type of interconnection the RCCs used was the same or substantially similar to the Type 1 interconnection used by

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the Cellular Mobile Carriers (CMCs), and that the same rates should be approved for all mobile carriers.

On March 28, 1989, FRTA filed two motions. The first was requesting one-way trunks and trunk facilities be offered at separate rates equal to the rates in effect before Docket No. 870675-TL was opened. The second motion was to hold Docket No. 870675-TL open in order to postpone the effective date of the tariffs filed pursuant to Order No. 20475. These motions were denied in Order No. 21673, issued August 3, 1989.

On February 6, 1990, FRTA filed this petition requesting that we lower the one-way inward trunk charges assessed to the RCCs to levels which approximately equal those in effect before Docket No. 870675-TL. FRTA argues that, contrary to the record on which the Order was based, the RCCs' interconnection is inferior to the Type 1 interconnection used by the CMCs and should be offered at lower rates. We acknowledge that an FRTA witness was in error when he testified that the RCC interconnection is the same as that used by the CMCs. The error, however, was not essential to the development of the mobile interconnection rates and rate structure. In that proceeding, we addressed interconnection rates and rate structure for the entire mobile carrier industry. It is inappropriate to readdress one isolated piece of that project without also considering the remaining portions comprising the whole. We would also note that based on information provided by FRTA in this docket, for most RCCs the trunk rate increases were more than offset by decreases in other charges as a result of the restructure, substantially reducing their total costs. Therefore, the RCCs were not harmed.

We agree with FRTA's contention that regardless of whether overall rates increase or decrease, each component should be determined correctly. But, the former rates, which approximate the levels FRTA is asking us to approve, were the result of a stipulation and have not been subjected to the full scrutiny of the investigation process. Therefore, there is no record anywhere upon which to rely to determine that the rates that FRTA proposes are correct.

The current rates, as noted above, are the result of a full scale proceeding in which we determined that all mobile carriers should be charged the same for identical or substantially similar services. FRTA now argues that their connections are inferior to

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the Type I connections that cellular carriers take. However, the connections that RCCs currently use are substantially similar to the DID trunk connections typically associated with PBX Service. PBX trunk rates are, in some cases, higher than the rates the RCCs pay now. We decline either to raise or lower the rates for RCCs in isolation and without due consideration of other factors which may necessarily be involved. However, we instruct our staff to examine these rates in the two pending rate cases and also those rate reviews now mandated by the newly revised Chapter 364, Florida Statutes.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Florida Radio Telephone Association's petition to implement a separate one-way direct inward dialing trunk service offering and rates in the mobile interconnection tariffs of Southern Bell Telephone and Telegraph Company, GTE Florida Incorporated, United Telephone Company of Florida, and Central Telephone Company of Florida, is hereby denied. It is further

ORDERED that this docket be closed in the event that no protest to this Proposed Agency Action is filed within the time period established below.

Division of Records and Reporting

(SEAL)

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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 at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on <u>September 5, 1990</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, and as reflected in a subsequent order.

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 adversely 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 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 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.

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