

United Telephone Company of Florida
Box 5000 • Altamonte Springs, Florida 32716-5000 • (407) 889-6018

Alan N. Berg Senior Attorney

July 5, 1991

Steve Tribble, Director Division of Records and Reporting Florida Public Service Commission 101 East Gaines Street Tallahassee, FL 32399-0850 ORIGINAL FILE COPY

Re: Docket No. 900959-TP

Dear Mr. Tribble:

Enclosed for filing in the above-referenced matter please find the original and fifteen copies of United Telephone Company of Florida's Petition.

A copy of same has been furnished to the parties listed on the attached Certificate of Service.

Sincerely,

Alan N. Berg

ANB/prc Enclosure

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION FILE COPY

IN RE: Amendment of Rule 25-4.107,
F.A.C., Information to Customers, and
Rule 25-4.108, F.A.C., Initiation of
Service pertaining to extended payment)
plans for the payment of service
connection charges.

Docket No. 900959-TP Filed: July 5, 1991

PETITION OF UNITED TELEPHONE COMPANY OF FLORIDA

United Telephone Company of Florida (hereinafter "United") pursuant to the provisions of Florida Public Service Commission (hereinafter "FPSC") Rules 25-22.016 and 25-22.036, Florida Administrative Code, files this Petition requesting a hearing of the Proposed Amendment to Rules 25-4.107 and 25-4.108, F.A.C., described in FPSC Order No. 24639, issued June 7, 1991. In support of this request, United states:

 The exact name of the Petitioner and the address of its principal business office is:

> United Telephone Company of Florida P. O. Box 5000 Altamonte Springs, Florida 32716-5000

2. The name and address of the person authorized to receive notice and communications in respect to this Petition are:

Alan N. Berg United Telephone Company of Florida P. O. Box 5000 Altamonte Springs, Florida 32716-5000

3. United is a telecommunications company as that term is defined in Section 364.02(7), Florida Statutes (1990 Supp.). United provides local telephone service and installs such service

in residences and businesses within its service territory. United bills service connection charges for installation of such service. The payment of this service connection charge is the subject of the proposed rule changes in this Docket. United is substantially affected by the proposed amendments to Rules 25-4.107 and 25-4.108, F.A.C. described in FPSC Order No. 24639, issued June 7, 1991. The amendments propose extended payment periods for service connections charges, and require that the customer be informed of the extended payment period during the initial contact requesting service between the customer and the telephone company. United believes the Rule amendments are intended to renefit persons desiring telephone service, but who are unable to pay all installation charges in one payment. United knows of no data which has been offered which shows that existing payment plans do not serve this purpose.

- 4. United is requesting a hearing for three reasons:
- a. The proposed amendments require that all residential customers be informed of the availability of the Company's installment plan for payment of service connection charges during the initial contact when requesting service from local exchange companies. United estimates that the additional contact time with the customer to discuss the matters required by the proposed rules will be a minimum of two minutes. This additional contact time will add to the expense of handling each initial customer contact, make each customer contact longer, and generally increase the cost of providing service. The economic impact statement supporting the

proposed amendments states that the direct costs of the proposed amendments are negligible. United does not consider the costs associated with the increased contact time to be negligible.

- b. The proposed rules will encourage residential customers to take extended payment periods even if such customers can afford to pay the service connection charges. A significant take rate of the extended payment period for service connection charges will reduce cash flows to United, and generally increase the cost of providing service to the detriment of the general body of ratepayers.
- c. United has a significant number of customers who do not remain in service for three months from the time their service is initially connected. Other customers will not pay the service connection installments when due. United anticipates that the proposed rules will result in an increase in the direct costs of collection and an increase in uncollectibles. These increases in cost of collection and uncollectibles will increase the cost of providing service to the detriment of the general body of ratepayers.
- 5. The disputed issues of material fact in regard to this Petition are FPSC Order No. 24639, and the proposed amendments to Rules 25-4.107 and 25-4.108 contained therein, do not adequately consider the impacts on customer contact time, cash flow, collection expense and uncollectibles and their ultimate effects on the cost of providing service.
- 6. The ultimate facts alleged by United are listed in paragraph 4 above.

7. The specific relief being requested by United is that those portions of the proposed rules which will increase contact time, result in reduced cash flows to the local exchange companies, and increase collection expense and uncollectibles be modified or eliminated.

Wherefore, United requests a hearing on the proposed amendment to Rules 25-4.107 and 25-4.108 to address the above-stated matters.

Respectfully submitted,

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Alan N. Berg

Senior Attorney

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