In Re: Petition for waiver of a) DOCKET NO. 951364-TL provision of Florida Public Service Commission Order No. 20979, by Central Telephone Company of Florida and United Telephone Company of Florida.

) ORDER NO. PSC-96-0365-FOF-TL) ISSUED: March 14, 1996

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 ALLOWING LOCAL EXCHANGE COMPANIES TO CHARGE SWITCHED ACCESS RATES FOR THE TRANSPORT OF TYPE 2 MOBILE INTERCONNECTION TRAFFIC FROM THE ACCESS TANDEM TO THE INTEREXCHANGE CARRIER'S POINT OF PRESENCE

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.

On November 14, 1995, United Telephone Company of Florida and Central Telephone Company of Florida (United/Centel) filed a petition for a waiver of a provision of Order No. 20979, an order on reconsideration, issued April 4, 1989, in Docket No. 870675-TL, a proceeding which established the rates, terms and conditions for interconnection of mobile carriers with local exchange company (LEC) facilities. The particular provision reads as follows:

LECs are not currently authorized to bill access charges to IXCs [interexchange carriers] for delivery of mobile carriers' toll traffic through a Type 2 interconnection. Under Type 2 interconnection, mobile carriers use their own facilities for transporting their customers' calls to

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the Tandems. Therefore, we believe that LECs do not incur all of the costs that access charges are designed to recover.

United/Centel contend that the above provision of Order No. 20979 prohibits LECs from charging IXCs the transport rate element for traffic carried from the LEC's access tandem to the IXC's point of presence (POP), when such transport is provided by the LEC and not the mobile service provider (MSP). Therefore, United/Centel request that they be granted a waiver of that provision.

According to United/Centel, if they are not allowed to charge the transport rate element for traffic carried between the access tandem and the POP, they will be providing free service in violation of Section 364.08(2), Florida Statutes. They also argue that such a result might violate Section 364.051(6)(c), Florida Statutes, which requires that "the price charged to a consumer for a non-basic service shall cover the direct cost of providing the service. . . " United/Centel also note that other states have tariffed this element, as well as the Federal Communications Commission, for interstate purposes.

Contrary to United/Centel's assertion, Order No. 20979 does not prohibit LECs from charging IXCs the local transport element for delivery of Type 2A toll traffic to the IXC POP. It merely noted that LECs did not have such authority. The reason that LECs lacked such authority was not because it was inappropriate, but because this Commission had never granted such authority.

Since United/Centel submitted this petition, we have had an opportunity to review this matter. The concern expressed in Order No. 20979 was that, if LECs were charging MSPs for such traffic, it would be inappropriate to charge the IXC as well. We have since concluded that LECs do not charge MSPs for such traffic. It appears, therefore, that it is appropriate to allow all LECs to charge IXCs the local transport element associated with delivery of Type 2A toll traffic to the IXC POP. Accordingly, we hereby authorize all LECs to insert a provision into their switched access tariffs to charge IXCs the local transport rate element, and only the local transport rate element, associated with carrying Type 2A mobile interconnection toll traffic to the IXC POP from the access tandem. Tariffs conforming to the requirements of this Order shall be approved without further action by this Commission.

It is, therefore,

ORDERED by the Florida Public Service Commission that all local exchange companies may modify their switched access tariffs ORDER NO. PSC-96-0365-FOF-TL DOCKET NO. 951364-TL PAGE 3

to include a provision to charge interexchange carriers the local transport rate element associated with carrying Type 2A mobile interconnection toll traffic from the local exchange company's access tandem to the interexchange carrier's point of presence. It is further

ORDERED that tariff revisions filed in conformance with this Order shall be approved without further action by this Commission. It is further

ORDERED that, unless a substantially affected person files a petition in the form and by the date specified in the Notice of Further Proceedings or Judicial Review, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this <u>14th</u> day of <u>March</u>, <u>1996</u>.

BLANCA S. BAYÓ, Director Division of Records and Reporting

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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>April 4, 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.