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July 17, 1997

Benjamin W. Fincher  
Attorney, State Regulatory

**VIA FED EX**

Ms. Blanca S. Bayó  
Director, Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

In Re: Docket No. 96-1000-01 - Proposed Part XVI - Rules Governing Prepaid Calling Services; Rules 25-24.900, F.A.C., Scope and Waiver; 25-24.905, F.A.C., Terms and Definitions; 25-24.910, F.A.C., Certificates of Public Convenience and Necessity Required; 25-24.915, F.A.C., Standards for Prepaid Calling Services and Consumer Disclosure; 25-24.925, F.A.C., Refunds; 25-24.930, F.A.C., Discontinuance of Service; 25-24.940, F.A.C., Penalties

Dear Ms. Bayó:

Please find enclosed for filing, an original and fifteen copies of the Comments filed on behalf of Sprint Communications Company Limited Partnership in the above proceedings.

We are enclosing an extra copy of this letter. Please acknowledge receipt thereon and return to the undersigned in the enclosed, stamped and self addressed envelope.

ACK \_\_\_\_\_ Thank your for your assistance.

AFA \_\_\_\_\_

APP *Callwell*

CAF \_\_\_\_\_

CMU 1

CTR \_\_\_\_\_

EAG \_\_\_\_\_

LEG \_\_\_\_\_ BWF:vw

LIN 5 cc: C. Everett Boyd

OPC \_\_\_\_\_

RCH 1

SEL 1

WAS \_\_\_\_\_

OTH *ref to bin*

Sincerely,

*Benjamin W. Fincher*  
Benjamin W. Fincher

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RECORDS & COMMUNICATIONS SECTION

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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Proposed Part XVI - Rules Governing )  
Prepaid Calling Services; Rules 25-24.900, )  
F.A.C., Scope and Waiver; 25-24.905, F.A.C., )  
Terms and Definitions; 25-24.910, F.A.C., )  
Certificates of Public Convenience and )  
Necessity Required; 25-24.915, F.A.C., )  
Tariffs or Price Lists; 25-24.920, F.A.C., )  
Standards for Prepaid Calling Services and )  
Consumer Disclosure; 25-24.925, F.A.C., )  
Refunds; 25-24.930, F.A.C., Adequacy of )  
Service; 25-24.935, F.A.C., Discontinuance )  
of Service; 25-24.940, F.A.C., Penalties )

Docket No. 960254-TI

Date Filed: July 18, 1997

**COMMENTS OF SPRINT COMMUNICATIONS COMPANY  
LIMITED PARTNERSHIP**

Comes now Sprint Communications Company Limited Partnership ("Sprint"), and submits these its Comments pursuant to Florida Public Service Commission ("Commission") Order No. PSC-97-0728-NOR-TI, dated June 20, 1997, which provided notice that the Commission had initiated a rulemaking relating to prepaid calling services. The Order provided that written requests for hearing and written comments or suggestions on the rules are to be filed no later than July 18, 1997. Sprint submits these its Comments with respect to the proposed rules as follows:

1. Applicable Paragraphs under 25-24.915 Section 3(b) and 25-24.920 Section (2)(b). It will be difficult to tariff a payphone compensation recovery surcharge due to the instability created by the appeals process of the Telecommunications Act of 1996 ("Act"). Further, the third phase of payphone deregulation requires compensation rates to be established as negotiated so that establishing a surcharge rate will be difficult. Finally, consumer notice of the maximum rates through card or packaging inserts will be misleading because the particular surcharge is only applicable to those consumers who choose to use payphone equipment. Sprint urges the Commission to modify the proposed

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rule so that rates or surcharges will be disclosed prior to the consumer incurring any expense. In this manner, the consumer will be on notice of the rates and surcharges before they are incurred and those rates and surcharges will accurately reflect the type of connection the consumer is employing.

2. Balance of Use on Account under 25-24.920 Section (M). Sprint is only able to provide the balance in the account in monetary terms. "Balance of use" implies prior knowledge of call origination/termination. This section should be amended to reflect the monetary account balance rather than the use still available.

3. Expiration Dates under 25-24.920 (M). The proposed rules currently require that "(c)ards without a specific expiration period printed on the card, and with a balance of service remaining, shall be considered active for a minimum of one year from the date of first use, or if recharged, from the date of the last recharge." Sprint has serious concern about this requirement. Consumers purchasing cards for emergency use who do not actually use the card make Sprint indefinitely liable to offer the service on the terms originally established. Under standard accounting rules, Sprint is also unable to fully recognize revenues from the sale of the card until final expiration. Further, the economics of the service being provided may change over the "life" of the card. Finally, Sprint's systems would require modification to allow for indefinite storage of Personal Identification Numbers (PINs) and recognition and calculation of expiration based on first use.

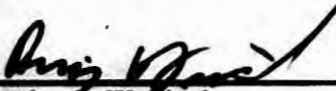
4. Sprint urges the Commission to substitute the following language for the current requirement: "Cards without a specific expiration period and or conditions printed on the card or packaging materials and with a balance of service remaining shall be considered active for a minimum of one year from the date of issuance of the card, or if recharged, from the date of the last recharge." This language change effectively substitutes "date of issuance" for "first use." This change in language would protect Sprint from indefinite liability for cards which have not been used, allows expiration in a

controlled manner for accounting purposes, and protects Sprint from requirements that would require indefinite reservation of PINs and indefinite service offerings on rates and terms which, over time, would not reflect market realities.

**WHEREFORE, Sprint requests that the Florida Public Service Commission amend its proposed Rules Governing Prepaid Calling Services identified in Order No. PSC-97-0728-NOR-TI issued June 20, 1997, to reflect the changes requested by Sprint Communications Company Limited Partnership stated above.**

**Respectfully submitted,**

**Sprint Communications Company  
Limited Partnership**

  
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**Attorney for Sprint Communications  
Company Limited Partnership**