



Public Service Commission

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-M-E-M-O-R-A-N-D-U-M-

DATE: NOVEMBER 19, 1998

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYÓ)

FROM: DIVISION OF APPEALS (CALDWELL) *DWC*
DIVISION OF COMMUNICATIONS (KENNEDY, MOSES, SHELPER) *REK*
DIVISION OF RESEARCH AND REGULATORY REVIEW (HEWITT) *AKS* *RIT* *CAPO*

RE: DOCKET NO. 951560-TI - PROPOSED REPEAL OF RULE 25-4.076, F.A.C., PAY TELEPHONE SERVICE PROVIDED BY LOCAL EXCHANGE COMPANIES, AND PROPOSED AMENDMENTS TO RULES 25-4.003, F.A.C., DEFINITIONS; 25-4.0345, F.A.C., CUSTOMER PREMISES EQUIPMENT AND INSIDE WIRE; 25-24.475, F.A.C., COMPANY OPERATIONS; RULES INCORPORATED; 25-24.505, F.A.C., SCOPE; 25-24.511, F.A.C., APPLICATION FOR CERTIFICATE; 25-24.515, F.A.C., PAY TELEPHONE SERVICE; 25-24.516, F.A.C., NON-LOCAL EXCHANGE COMPANY PAY TELEPHONE RATE CAPS; AND 25-24.520, F.A.C., REPORTING REQUIREMENTS.

AGENDA: DECEMBER 1, 1998 - REGULAR AGENDA - RULE ADOPTION - PARTICIPATION IS LIMITED TO COMMISSIONERS AND STAFF

RULE STATUS: ADOPTION SHOULD NOT BE DEFERRED

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\APP\WP\951560#2.RCM

CASE BACKGROUND

Section 364.3375, Florida Statutes, provides for the regulation of Pay Telephone Service Providers (PSPs) by the Commission. Subsection (1) provides for certification requirements. Subsection (2) states the requirements for each pay telephone station. Subsection (3) provides for access requirements. Subsection (4) provides for the maximum rate for local coin calls. Finally, Subsection (5) requires pay telephone providers to only obtain operator service from certificated providers of that service.

DOCUMENT NUMBER - DATE

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FPSC-RECORDS/REPORTING

On September 20, 1996, the Federal Communications Commission (FCC) released and adopted a Report and Order detailing the implementation of the Telecommunications Act of 1996. The Order on Reconsideration was adopted and released on November 8, 1996. The FCC Order requires all states to "review and remove, if necessary, those regulations that affect competition, such as entry and exit restrictions." The FCC's goal is to deregulate and move the pay telephone industry to a competitive-based market. The FCC Order made specific changes to the way the pay telephone industry will operate and also required each state to review its rules and to amend/repeal those rules which provide entry/exit barriers to the pay telephone service industry or those rules which would provide double compensation to the pay telephone service providers due to per call compensation.

On August 4, 1998, the Commission voted to propose the amendments to the pay telephone rules. Notice of the rule proposal was published in the September 18, 1998, Florida Administrative Weekly. Comments and proposed lower cost alternatives were timely filed by AT&T Communications of the Southern States (AT&T) and the Florida Public Telecommunications Association (FPTA). In addition, the Joint Administrative Procedures Committee also filed comments. Staff has analyzed the comments and proposed lower cost alternatives and recommends certain changes to the proposed rules.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission repeal Rule 25-4.076, F.A.C., Pay Telephone Service Provided by Local Exchange Companies, and adopt certain recommended changes to the following proposed rules: Rule 25-4.003, F.A.C., Definitions; 25-4.0345, F.A.C., Customer Premises Equipment and Inside Wire; Rule 25-24.475, F.A.C., Company Operations; Rules Incorporated; 25-24.505, F.A.C., Scope; 25-24.511, F.A.C., Application for Certificate, 25-24.515, F.A.C., Pay Telephone Service; Rule 25-24.516, Non-Local Exchange Company Pay Telephone Rate Caps, 25-24.520, F.A.C., Reporting Requirements.

RECOMMENDATION: Yes, The Commission should repeal Rule, 25-4.076, F.A.C., and adopt the changes to the other proposed rules relating to pay telephone service.

STAFF ANALYSIS: Comments were filed by AT&T Communications of the Southern States, Inc., (AT&T) and the Florida Public Telecommunications Association, Inc. (FPTA). In addition, comments were received by a staff attorney for the Joint Administrative Procedures Committee. Some of the suggestions are now being recommended by staff, others were rejected. In addition to the comments, both AT&T and the FPTA filed lower cost alternatives. The following is a discussion of the suggested changes and staff's rationale of recommending adoption or rejection.

Because AT&T adopts and incorporates by reference the FPTA's comments, FPTA's comments will be addressed first.

Staff recommends adding the phrase "for an exemption" in rule 25-24.515(13)(b). It appears this phrase was inadvertently omitted in the drafting but is necessary to understand the rule. In addition, the term "local" should be added in Rule 25-24.515(16)(b) before the words "directory assistance" so the reference is for local directory assistance, to the exclusion of toll directory assistance.

FPTA offered language amending Rule 25-24.515(16)(a) to capture the discussion at the August 18, 1998, agenda conference related to white and yellow page directories. Staff recommends revising the proposed provision requiring white and yellow page directories at pay telephone stations to incorporate FPTA's suggestions. FPTA's suggested revisions require a directory to be maintained at each pay telephone station unless the stations are located in a group. The term "directory" is then defined as both a current white pages directory for the local calling area and a reasonably current yellow page directory that is appropriate for the calling area of the pay telephone station. This allows a pay telephone provider to utilize alternative sources for yellow page directories. Staff believes this proposal is reasonable as it may promote competition in the provision of alternative directories and would further satisfy the public interest in assuring adequate information is available to the caller while potentially reducing the provider's cost.

Staff recommends adoption of FPTA's suggested change relating to caps for 0+ local calls in paragraphs (f) and (g) of Rule 25-24.516(1). Initially staff believed that state commissions were prohibited from setting rate caps for these services. Upon further review, and at the suggestion of FPTA, such prohibition is not the case. The suggested provision does not set local rates but does

set a cap for the surcharge associated with the call. The per call caps are consistent with the other caps already proposed.

The JAPC made several comments. Those comments that related to the forms incorporated by reference were already addressed with the revisions made by staff. Staff recommends adding section 364.3375, Florida Statutes, to the law implemented portion of the rules that do not already include the reference. With respect to Rule 25-24.511(5), Application for Certificate rules, JAPC stated that the rule should be amended to explain what is meant by the term "in the public interest." After researching the question, staff recommends deleting the first sentence subsection 25-24.515(5). The Commission is already required by statute (section 364.335(2), Fla. Stat.) to determine if granting a certificate is in the public interest. The deletion of the provision reduces the rule volume without changing the Commission's prescribed actions. Staff recommends deleting the phrases in the second and third sentences that requires the applicant to show his request is in the public interest. Staff could find no criteria in previous Commission action that explained when it was in the public interest to have more than one certificate or when a person that had a certificate involuntarily removed should be given another certificate. Should the occasion arise, the person is not precluded from requesting a rule waiver under Chapter 120, Florida Statutes.

Staff recommends amending 25-24.515(13)(b), F.A.C., relating to the incoming call block exemption to accommodate a concern of the JAPC. Specifically JAPC states, "The rule provides in pertinent part that the Commission" may "grant additional exemptions as described. However, the rule contains no standards or criteria to apprise the reader of whether or not the Commission will grant such additional exemptions under any circumstances. This renders the rule objectionable pursuant to Section 120.52(8)(d), F.S." Staff recommends deleting the sentence that states: "The Commission may grant additional requests for subsequent two-year exemptions if the provider of the pay telephone files another Form PSC/CMU-2 (XX/XX), and replacing it with." The provider of the pay telephone may request subsequent two-year exemptions by filing another Form PSC/CMU 2 (XX/XX)." The recommended revision is consistent with the initial part of the provision that provides for "a pay telephone provider may petition the Commission for an exemption from the incoming call requirement." This provision was acceptable to JAPC. Thus, in either case, initial or renewal petition, the Commission looks for the attestation to the fact that criminal activity is a result of incoming calls to the particular pay telephone.

Finally, staff recommends adoption of the revised Form PSC/CMU 32, Application Form for Certificate to Provide Pay Telephone Service Within the State of Florida and Form PSC/CMU 2, Request to Block Incoming Calls. Technical changes have been made to these forms to make it easier to understand the information being requested. The application form has also been updated to make the appropriate references to rule and regulation citations. Authority under 350.123, Florida Statutes, to require an affidavit is added to the law implemented in Rule 25-24.511, F.A.C. The form's appearance will now be consistent with other application forms (i.e. IXC and ALEC).

Statement of Estimated Regulatory Cost (SEEC): The rule amendments implementing the FCC Order should not impose additional regulatory costs, because PSPs would still be subject to the federal rules absent Florida rule amendments.

Rule amendments due to Commission initiative would have additional regulatory costs. PSPs may incur costs to comply with placard, volume control, both white and yellow page directories, and accessibility requirements. PSPs could no longer charge the set use fee for 0+ calls and IXC completed 0- calls. However, offsetting the additional regulatory costs would be the opportunity to increase the rate for intrastate toll calls from \$0.25 to \$0.30 per minute and the surcharge for toll calls from \$1.00 to \$1.75 for 0+ non-person-to-person and \$3.25 for 0+ person-to-person for those companies currently charging less, as well as the ability to charge what the market will bear for local calls.

AT&T's request to raise the proposed cap for 0+ non-person-to-person local calls to its currently tariffed rates would lower its regulatory cost, because it is currently charging a rate higher than the proposed cap. It would lose an estimated \$5.169 million in revenues from the proposed rate surcharge cap of \$1.75. Staff rejected the alternative because AT&T has raised its OSP rates since 1988 in conflict with Commission Order No. 20489, December 21, 1988, and although some customers are paying the higher rates of AT&T, they do not always have the knowledge or ability to use a competitive provider.

DOCKET NO. 951560-TI
DATE: November 5, 1998

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, the rule as approved by the Commission should be filed for adoption with the Secretary of State and the docket be closed.

STAFF ANALYSIS: After a Notice of Change is published in the Florida Administrative Weekly, the rule may be filed with the Secretary of State for adoption and the docket may be closed.

MEMORANDUM

November 19, 1998

TO: DIVISION OF APPEALS (CALDWELL)

FROM: DIVISION OF RESEARCH AND REGULATORY REVIEW (HEWITT) *est bnl emd*

SUBJECT: REVISED STATEMENT OF ESTIMATED REGULATORY COSTS, DOCKET NO. 951560-TP, PROPOSED REPEAL OF RULE 25-4.076, F.A.C., PAY TELEPHONE SERVICE PROVIDED BY LOCAL EXCHANGE COMPANIES, AND PROPOSED AMENDMENTS TO RULES 25-4.003, F.A.C., DEFINITIONS; 25-4.0345, F.A.C., CUSTOMER PREMISE EQUIPMENT AND INSIDE WIRE; 25-24.475, F.A.C., COMPANY OPERATIONS; RULES INCORPORATED; 25-24.505, F.A.C., SCOPE; 25-24.511, F.A.C., APPLICATION FOR CERTIFICATE; RULE 25-24.515, F.A.C., PAY TELEPHONE SERVICE; RULE 25-24.516, F.A.C., PAY TELEPHONE RATE CAPS; AND RULE 25-24.520, F.A.C., REPORTING REQUIREMENTS.

SUMMARY OF THE RULE

The current rules in Chapter 25-24, F.A.C., governing pay telephone service, apply to any telecommunications company, other than local exchange companies (LECs), that provide pay telephone service as defined in Section 364.3375, Florida Statutes (1995). LECs are governed by Rule 25-4.076, F.A.C., Pay Telephone Service By Local Exchange Companies.

The proposed rule amendments would repeal the separate rule for LECs' pay telephone services, extend the scope of the other pay telephone rules to include LECs, and require that, "Any person desiring to provide pay telephone services must have a pay telephone certificate." Thus, the rules would combine all pay telephone service providers (PSPs) under the same requirements.

The amendments would also implement Federal Communications Commission (FCC) requirements found in FCC Report and Order 96-388 and FCC Order 96-439 on Reconsideration. Adopting these requirements would bring Florida into compliance with the FCC. These requirements include: defining the LECs' pay telephone equipment as customer premises equipment; allowing the PSPs to charge for directory assistance; allowing the PSPs to charge a market-based rate for local coin calls; and discontinuing the set use fee for all 0+ and DXC completed 0- calls.

The proposed amendments include specific rate caps that pay telephone providers may not exceed for various types of calls. The proposed amendments would also allow more flexibility to

providers for minimum length of calls at confinement facilities, allow a charge for incoming calls after five minutes, and add conditions for extending incoming call blocking where exempted. Allowing outgoing calls would be required at all times. In addition, pay telephones would have to meet certain American National Standards Institute (ANSI) requirements for handicapped users. Finally, pay telephone stations located in confinement facilities would be exempt from certain requirements, and outgoing local and long distance calls at those facilities could not be terminated until after a minimum elapsed time of ten minutes.

After the Recommendation for the proposed rule changes went to the August 4, 1998, Agenda Conference, there were two proposed Lower Cost Regulatory Alternatives (LCRAs) submitted to the Commission; one by Florida Public Telecommunications Association (FPTA) and the other by AT&T Communications of the Southern States (AT&T). This revised SERC includes changes proposed at the Agenda and the proposed LCRAs.

ESTIMATED NUMBER AND DESCRIPTION OF INDIVIDUALS AND ENTITIES IMPACTED

Any telecommunications company that provides pay telephone service would be required to comply with the proposed rule amendments. In Florida, certificates to provide pay telephone telecommunications service are currently held by over 1,000 entities. The companies range from sole proprietors with one pay telephone to large companies with thousands of pay telephones throughout the state.

Any individual that uses a pay telephone in Florida could be indirectly impacted by the proposed rule amendments when implemented by pay telephone providers. Consumers would be the ultimate bearer of the costs and receiver of the benefits of the rule changes.

DIRECT COSTS TO THE AGENCY AND OTHER STATE OR LOCAL GOVERNMENT ENTITIES

The Florida Public Service Commission (Commission) should eventually see a reduction in the number of complaints filed by pay telephone users if the rule achieves its purpose (to reduce the incidence of price gouging on toll calls and increase the level of information and service quality of pay telephones). However, there may be a short-term increase in consumer complaints (due to higher

surcharges and rates). Also, staff would be monitoring compliance with the proposed rule changes. Present staff levels should be adequate if these increases are short term.

If PSPs wish to increase the surcharge caps proposed in the rule, a rulemaking proceeding would be necessary. Such a proceeding takes about nine months and could increase costs to the Commission if additional resources are necessary.

At least three local governments (Cities of Lakeland, Ocala, and Tallahassee) hold ALEC certificates, although none are currently offering telecommunications services. Local governments offering pay telephone service would face the same compliance costs as others. Local law enforcement agencies would have some minimal costs associated with approving call blocking renewals. No other direct costs to state or local government entities are foreseen.

ESTIMATED TRANSACTIONAL COSTS TO INDIVIDUALS AND ENTITIES REQUIRED TO COMPLY

The estimated costs of complying with the proposed rule amendments are described in this section. Staff reviewed data request responses, testimony, and workshop comments and has made every effort to include all costs provided by any participating party. Cost estimates are contained in the following discussion for each section of the proposed rule amendments where data request responses indicated an increased regulatory cost. Where explicit costs are not included but indicated, the total amount of regulatory cost increases would depend on unknown factors such as the actual number of companies affected and the duration and number of calls affected.

Proposed Rule Amendments to 25-24.515, F.A.C., Pay Telephone Service

Proposed Rule Amendments 25-24.515(5) & (6), F.A.C., would require free direct access to dial tone and toll free numbers. This would decrease revenues for companies currently charging for these items. Subsection (7) would allow a charge for local directory calls which could increase revenues for those companies imposing a charge per the FCC order.

Subsection (9)(a) would require the certificate number and local coin rate to be added to the currently required identification information at the pay telephone station. Alltel does not believe that the certificate should be required to be listed on the phone because: (a) the pay station cards are already over crowded with required information; (b) the name of the provider is on the phone and can be checked with the Commission for an assigned certificate number; and (c) multi-state operations create

difficulties with lack of consistency in formatting. Sprint-Florida, Inc. responded that this section has caused a total expense of \$4,200 to include the company's certificate number. Sprint Payphone Services, Inc. indicated it has incurred a one-time expense of \$4,000 to update its existing place cards in compliance with the proposed rule change.

The Florida Public Telecommunications Association, Inc. (FPTA) suggested that a minimum time period of at least six months should be allowed for PSPs to bring their pay telephones into compliance with the rule changes. With a reasonable amount of time to change signage, the economic impact of these changes would be minimal, because the PSP can change the cards during the normal course of business, without a special trip. This suggestion was added to the rule.

Subsection (9)(b) would change the allowed call termination period from "15 minutes" to "a minimum elapsed time." The change could reduce the amount of time allowed without an additional charge, which could increase revenues to PSPs and increase costs to pay telephone users.

Subsection (13)(a) would require incoming calls to be received at all times with no charge for the first five minutes unless the location has been granted an exemption by the Commission. There could be an increase in revenues for companies now blocking incoming calls at certain times. An audible notice of disconnect must be provided prior to disconnect. The cost to provide this audible notice was not reported. Subsection (13)(a) would also limit the exemption for the incoming call requirement to a one-year period. Exemptions granted prior to the one-year limitation would expire one year from the effective date of the proposed amendment. Florida Pay Phone Systems, Inc. (FPPS) indicated that it is extremely difficult to obtain a signature from a chief of police because of reluctance to acknowledge a crime problem in his jurisdiction. FPPS states it took five months to obtain a signature (including 80 man hours, many calls, and visits to the office) for two phones at one location. It stated, "An annual exemption signature would make the request a constant battle." While there is a regulatory cost to obtain additional signatures every year, the requirement would ensure that there is continued justification for the blocking and loss of accessibility for customers receiving incoming calls. GTE anticipates that annual petitions for exemption for blocking incoming calls would result in an additional expense of \$120 per pay station.

BellSouth Public Communications, Inc. (BSPC) estimated that to comply with this change would initially cost \$113,799, with subsequent yearly compliance costs at \$38,119, for a total first year cost of \$151,918. Costs include labor costs for administration, marketing, technical, and maintenance

and assumes 50% of existing exempted stations and subsequent exempted stations would revert back to two-way calling.

FPTA believes that a five-minute minimum elapsed time is too long a time period to allow for free incoming calls. FPTA recommends only one or two minutes at most which would accommodate most, if not all, emergency call-back situations. This would still provide an incentive to the PSP to only request incoming call blocking where absolutely necessary due to a crime situation.

FPTA believes that a one-year exemption would create an additional administrative burden that would not be offset by any benefit. The one-year exemption was changed to two years. Allowing PSPs to charge for incoming calls would be a sufficient incentive to allow incoming calls everywhere possible. Some of the increased costs would be associated with increased paperwork and the need to create and maintain another set of records with very specific tracking requirements. To secure signatures, it would be necessary to divert personnel to track down location owners. Also, FPTA believes that the chief of law enforcement would be reluctant to state in writing that crime has been reduced because of incoming call blocking. The result would be the loss of a number of pay telephones where the location provider or law enforcement agencies are reluctant to get involved with such "bureaucracy."

Subsection (14) would require that each pay telephone station be connected to an individual access line. This may require companies with multiple stations to incur costs to connect to an individual access line.

Subsection (15) would require that outgoing calls be permitted at all times. Although this should increase revenues for PSPs, there may be some additional costs to some PSPs from this requirement. FPTA stated that it strongly believes PSPs should have the latitude to configure each pay telephone in the way that is best suited to serve each specific location. A PSP should be allowed, with proper signage, to turn off a pay telephone for certain hours to deter loitering and criminal activity around the phone. Otherwise, PSPs would be forced to remove some instruments that could have remained for use during most hours of the day.

Subsection (16) would require that both white and yellow pages directories must be at each pay telephone station except in phone banks of two or more payphones where every other station must have directories. Florida Pay Phone Systems, Inc. indicated that it would cost the company approximately \$200 for every single pay phone station. Where there are two phones at one location, the cost would

be approximately \$30 per pay phone. Sprint-Florida, Inc. estimated the initial expense to adhere to this section would be \$51,500 to cover the purchase and installation of additional directory binders and mounting equipment to secure directories at the pay phone location. Sprint Payphone Services, Inc. would incur \$42,200 in additional expense for the required directory binders, mounting equipment, and labor.

FPTA objects to being required to obtain yellow page volumes where the yellow pages are not included within the same book as the white pages. Large metropolitan areas can mean three volumes of directories. A larger swing-away binder to accommodate this many volumes cost approximately \$200 versus a single volume binder that would cost approximately \$75. Also, because yellow pages are a commercial activity, FPTA believes PSPs should not be required to provide free advertising space for these commercial entities. The proposed rule revision would allow a reasonably current yellow page directory that is appropriate for the calling area of the pay telephone station.

Subsection (18)(a) would change the ANSI reference date from 1986 to 1992 and require volume controls on pay telephones. Subsection (18)(b) would insure that the route to a conforming station was free of wheelchair barriers. Subsection (18)(c) would prohibit the installation of pay telephones where the clear floor or ground space provided in ANSI section 4.29.2 is reduced by a vehicle parked in a designated parking space. Florida Pay Phone Systems, Inc. indicated that this section would dramatically reduce the amount of pay phones which are accessible to the public. If a pay phone is placed in a location that is not adjacent to a designated parking space, for example, at a gas station, then it is usually in the direct line of traffic which would be a liability to both the pay phone provider and location owner if anyone was hit while using the pay phone. It would cost approximately \$250 per pay phone to move the phones and an estimated 40% of all pay phones could be lost at gas stations, according to Florida Pay Phone Systems, Inc. FPTA states that to upgrade an instrument to comply with volume control requirements would cost between \$50 and \$100, including parts and labor, depending on the age of the phone. Allowing the modifications over a period of time and in conjunction with routine repairs and maintenance would minimize costs and use employees most efficiently.

Subsection (19) requires that each pay telephone station except those in a confinement facility allow entry of unlimited digits for the duration of a call. The proposed amendment removes the

exception for pay telephones in confinement facilities from this section and adds it to the exemptions in new subsection (22).

Subsection (22) exempts pay telephone stations located in confinement facilities from many of the provisions of Rule 25-24.515, F.A.C., because of the restricted nature of the end user. Although inmates would not enjoy all the benefits of this section, the exemptions are necessary for the safety and welfare of the nonincarcerated public.

Proposed Amendments to Rule 25-24.516, F.A.C., Pay Telephone Rate Caps

The proposed amendments for rate caps would raise rate and surcharge caps and allow increased revenues if market conditions permitted higher charges. Extended calling service (ECS) calls must be billed at the same price as local coin calls per the FCC order. Sprint-Florida, Inc. estimated that if it raises rates to a very high level, it would generate approximately \$328,500 annually (\$53,400 nonregulated and \$275,100 regulated), presumably at current volume. In addition, the Pay Station Location Provider would realize an increase in revenue estimated at \$82,100 annually, based on the current contracted commission rates. Sprint Payphone Services, Inc. could realize additional revenues, if it raises its rates to a very high level, of approximately \$127,600 annually. In addition, the pay station location provider would realize an increase in revenue estimated at \$32,400 annually, based on the current contracted commission rates. AT&T estimated that the non-person-to-person rate cap surcharge of \$1.75 would reduce its revenues by \$5.169 million because its rate is currently \$2.25. AT&T also indicated that it would have additional regulatory costs of \$150,000 annually if it has to go to rulemaking every time it wants to increase rates above the cap. In addition, revenues would be lost while rulemaking proceeds, for approximately nine months.

However, allowing PSPs providing operator service to arbitrarily to raise rates upon a tariff filing would not accomplish the objective of Section 364.3376(3), F.S., which requires the Commission to establish maximum rates and charges for all intrastate operator service providers.

FPTA objects to the requirement that ECS coin calls match local coin call rates because PSPs are charged measured rates for ECS calls, and market conditions may dictate a different price. However, since local call rates would be set by the PSPs, they may be set at an adequately high rate for ECS calls. That higher rate may, in turn, make the local call rate too high for the local market. The PSPs would each have to find the right balance for their local and ECS coin call rate.

Although PSPs may increase rates and surcharges, in a competitive market they may be constrained from charging the highest level possible. Also, as charges increase, there may be a consumer response of less usage of pay telephones which could lessen the rise in PSP revenues.

IMPACT ON SMALL BUSINESS, SMALL CITIES, OR SMALL COUNTIES

None of the responding pay telephone companies said that they met the statutory definition of a small business. However, FPTA indicated that most of its members are small businesses. Small pay telephone companies should have the same regulatory compliance costs per pay telephone station as the larger companies. They would have the same rate and surcharge caps. All providers of pay telephone services must meet Commission service availability and accessibility requirements so that pay telephone users may expect a minimum acceptable level of service. Small pay telephone companies should also enjoy the same benefits as large companies by having more flexibility in setting local call rates and raising their revenues. No additional direct impact on small cities or small counties is foreseen.

REASONABLE ALTERNATIVE METHODS

Section 120.541, Florida Statutes, provides for a substantially affected person to submit a good faith, written proposal for a lower cost regulatory alternative to a proposed rule, and requires the SERC to either adopt the alternative or give a statement of the reasons for rejecting it in favor of the proposed rule. There were two formal proposals submitted in accordance with Section 120.541, F.S. One by the Florida Public Telecommunications Association (FPTA) and the other by AT&T Communications of the Southern States (AT&T). The AT&T alternative adopts the FPTA comments and supports the proposal included in this docket that the pay telephone operator services rate caps mirror the operator service rate caps that are proposed in Docket No. 960312-TP.

The proposed rule amendment to 25-24.515(9), F.A.C., requires the addition of the holder's certificate number to the pay telephone station information provided. Although this addition may cause some additional expense and difficulty, PSPs have six months to comply. It would also help avoid confusion between similar named companies and eliminate several steps in addressing complaints about a particular pay phone.

The proposed rule amendment to Rule 25-24.515(12), F.A.C., allows all calls except 0-calls (currently all calls must be routed to the LEC) to be routed to the PSP's carrier of choice. FPTA objects that the proposed amendment would continue to mandate that the local exchange provider (LEP) ultimately carry non-emergency 0-calls. Unless the Commission requires that the LEP re-route non-emergency calls back to the PSP's carrier of choice, FPTA proposed that all 0-calls be routed to a certificated provider authorized by the Commission to handle 0-traffic. For each 0-call handled by the LEP, the PSP loses a commission that may be 30%-40% of the revenue on the call. For an "operator transfer," long distance carriers pay LEPs a typical transfer fee of \$0.75. The suggestion that 0-calls be routed to a telecommunications company that is authorized by the Commission to handle 0-calls was included in the revised rule proposal.

The proposed rule amendment to 25-24.515(13)(a), F.A.C., made incoming call blocking exemptions limited to one year. One suggestion was that only the pay phone owner and location provider be required to sign any renewal. Another alternative, considered less cumbersome by one company, would be to allow the exemption to remain in place until the local agent or local police authority requests opening the pay stations to incoming calls. The requirement aims to balance the interest of the public in having available incoming calling ability and the need to eliminate or minimize criminal elements congregating at certain pay telephone locations. The revised proposed rule makes the exemption good for two years.

FPTA pointed out that the words "for an exemption" should be inserted in Rule 25-24.515(13)(b), F.A.C., which the revised proposed rule does.

Regarding the proposed rule amendment to Rule 25-24.515(16), F.A.C., for directory placement, a suggestion was made that all single pay phones only need white pages and only two or more pay phones need yellow. FPTA added that PSPs should not be required to provide yellow page directories because the directories are not regulated by the Florida Public Service Commission and would provide free advertising. FPTA's suggested language was included in the revised, proposed rule. Also included in Rule 25-24.515(16)(b), F.A.C., was the clarifying "local" directory assistance language.

The proposed rule amendment to 25-24.515(18)(e), F.A.C., prohibits installing a pay phone where the required clear floor or ground space is reduced by a vehicle parked in a designated parking place. There was an opinion expressed that the section should be removed. Although this section may

be a disincentive for some location owners to install a pay phone, removal of the amendment would allow clear ground space to be occupied by a vehicle, thus, blocking access and clear space for handicapped access. FPTA suggests that pay telephone providers should be allowed a minimum period of at least one year after the rule becomes effective to comply with the newly adopted ANSI standards.

The proposed rule amendment 25-24.515(19), F.A.C., requires allowing unlimited input of digits during a call. A language change was recommended to block inmates from using this ability to harass and commit phone fraud. Not allowing inmates unlimited digit entry has merit, but that objective may be reached by including subsection (19) in the exemptions for confinement facilities in subsection (22).

BSPC requested that it be allowed to place additional directories and directory holders, where required, on routine maintenance visits within a specified time period to avoid additional costs of dispatching service technicians.

FPTA pointed out that the proposed rule amendment 25-24.516, F.A.C., omitted the rate caps for operator assisted calls. The revised, proposed rule includes the language suggested by FPTA that is consistent with the surcharge cap in the operator services rule.

However, AT&T requested that the non-person-to-person rate cap surcharge in proposed rule amendment 25-24.516(f), F.A.C., be set at AT&T's presently tariffed level because operator costs have increased; but AT&T had no such request for the proposed person-to-person rate cap of \$3.25. Staff has rejected AT&T's proposal with the Revised SERC in Docket No. 960312-TP. AT&T estimated a lost revenue cost of \$5.169 million by reducing its surcharge to \$1.75 per 0+ non-person-to-person local call. Reducing the higher AT&T surcharge would benefit ratepayers the same \$5.169 million, and AT&T's LCRA is rejected in this revised SERC.

CONCLUSION

The rule amendments implementing the FCC Order should not impose additional regulatory costs, because PSPs would still be subject to the federal rules absent Florida rule amendments.

Rule amendments due to Commission initiative would have additional regulatory costs. PSPs may incur costs to comply with placard, volume control, both white and yellow page directories, and accessibility requirements. PSPs could no longer charge the set use fee for 0+ calls and IXC completed 0- calls. However, offsetting the additional regulatory costs would be the opportunity to increase the rate for intrastate toll calls from \$0.25 to \$0.30 per minute and the surcharge for toll calls from \$1.00

to \$1.75 for 0+ non-person-to-person and \$3.25 for 0+ person-to-person for those companies currently charging less, as well as the ability to charge what the market will bear for local calls.

AT&T's request to raise the proposed cap for 0+ non-person-to-person local calls to its currently tariffed rates would lower its regulatory cost, because it is currently charging a rate higher than the proposed cap. It would lose an estimated \$5.169 million in revenues from the proposed rate surcharge cap of \$1.75. Staff rejected the alternative because, although some customers are paying the higher rates of AT&T, they do not always have the knowledge or ability to use a competitive provider.

CBH:tf/e-patel4

cc: Ray Kennedy
Ann Shelfer

1 25-4.003 Definitions.

2 For the purpose of Chapter 25-4, the ~~following~~ definitions of the
3 following terms apply:

4 (1) "Access Line" or "Subscriber Line." The circuit or
5 channel between the demarcation point at the customer's premises
6 and the serving end or class 5 central office.

7 (2) "Average Busy Season-Busy Hour Traffic." The average
8 traffic volume for the busy season busy hours.

9 (3) "Busy Hour." The continuous one-hour period of the day
10 during which the greatest volume of traffic is handled in the
11 office.

12 (4) "Busy Season." The calendar month or period of the year
13 (preferably 30 days but not to exceed 60 days) during which the
14 greatest volume of traffic is handled in the office.

15 (5) "Call." An attempted telephone message.

16 (6) "Central Office." A location where there is an assembly
17 of equipment that establishes the connections between subscriber
18 access lines, trunks, switched access circuits, private line
19 facilities, and special access facilities with the rest of the
20 telephone network.

21 (7) "Commission." The Florida Public Service Commission.

22 (8) "Company," "Telecommunications Company," "Telephone
23 Company," or "Utility." These terms may be used interchangeably
24 herein and shall mean "telecommunications company" as defined in
25 Section 364.02(12), Florida Statutes.

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~~struck-through~~ type are deletions from existing law.

1 (9) "Completed call." A call which has been switched through
2 an established path so that two-way conversation or data
3 transmission is possible.

4 (10) "Disconnect" or "Disconnection." The dissociation or
5 release of a circuit. In the case of a billable call, the end of
6 the billable time for the call whether intentionally terminated or
7 terminated due to a service interruption.

8 (11) "Drop or Service Wire." The connecting link that extends
9 from the local distribution service terminal to the protector or
10 telephone network interface device on the customer's premises.

11 (12) "Exchange." The entire telephone plant and facilities
12 used in providing telephone service to subscribers located in an
13 exchange area. An exchange may include more than one central
14 office unit.

15 (13) "Exchange (Service) Area." The territory of a local
16 exchange company within which local telephone service is furnished
17 at the exchange rates applicable within that area.

18 (14) "Extended Area Service." A type of telephone service
19 whereby subscribers of a given exchange or area may complete calls
20 to, and receive messages from, one or more other exchanges or areas
21 without toll charges, or complete calls to one or more other
22 exchanges or areas without toll message charges.

23 (15) "Extension Station." An additional station connected on
24 the same circuit as the main station and subsidiary thereto.

25 (16) "Foreign Exchange Service." A classification of local

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1 exchange telecommunications company exchange service furnished
2 under tariff provisions whereby a subscriber may be provided
3 telephone service from an exchange other than the one from which he
4 would normally be served.

5 (17) "Intercept Service." A service arrangement provided by
6 the telecommunications company whereby calls placed to an
7 unequipped non-working, disconnected, or discontinued telephone
8 number are intercepted by operator, recorder, or audio response
9 computer and the calling party informed that the called telephone
10 number is not in service, has been disconnected, discontinued, or
11 changed to another number, or that calls are received by another
12 telephone. This service is also provided in certain central
13 offices and switching centers to inform the calling party of
14 conditions such as system blockages, inability of the system to
15 complete a call as dialed, no such office code, and all circuits
16 busy.

17 (18) "Interexchange Company." Any telecommunications company,
18 as defined in Section 364.02(12), Florida Statutes, which provides
19 telecommunication service between local calling areas as those
20 areas are described in the approved tariffs of individual local
21 exchange companies. "Interexchange Company" includes, but is not
22 limited to, Multiple Location Discount Aggregators (MLDA) as
23 defined in subsection (32) of these definitions.

24 (19) "Inter-office Call." A telephone call originating in one
25 central office but terminating in another central office, both of

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1 | which are in the same designated exchange area.

2 | (20) "Interstate Toll Message." Those toll messages which do
3 | not originate and terminate within the same state.

4 | (21) "Intertoll Trunk." A line or circuit between two toll
5 | offices, two end offices, or between an end office and toll office,
6 | over which toll calls are passed.

7 | (22) "Intra-office Call." A telephone call originating and
8 | terminating within the same central office.

9 | (23) "Intra-state Toll Message." Those toll messages which
10 | originate and terminate within the same state.

11 | (24) "Invalid Number." A number comprised of an unassigned
12 | area code number or a non-working central office code (NXX).

13 | (25) "Large LEC." A local exchange telecommunications company
14 | certificated by the Commission prior to July 1, 1995, that had in
15 | excess of 100,000 access lines in service on July 1, 1995.

16 | (26) "Local Access and Transport Area (LATA)" or "Market
17 | Area." A geographical area, which is loosely based on standard
18 | metropolitan statistical areas (SMSAs), within which a local
19 | exchange company (LEC) may transport telecommunication signals.

20 | (27) "Local Exchange Telecommunications Company (LETC)." Any
21 | telecommunications company, as defined in Section 364.02(6),
22 | Florida Statutes.

23 | (28) "Local Service Area" or "Local Calling Area." The area
24 | within which telephone service is furnished subscribers under a
25 | specific schedule of rates and without toll charges. A local

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1 exchange telecommunications company's local service area may
2 include one or more exchange areas or portions of exchange areas.

3 (29) "Main Station." The principal telephone associated with
4 each service to which a telephone number is assigned and which is
5 connected to the central office equipment by an individual or party
6 line circuit or channel.

7 (30) "Message." A completed telephone call.

8 (31) "Mileage Charge." A tariff charge for circuits and
9 channels connecting other services that are auxiliary to local
10 exchange service such as off premises extensions, foreign exchange
11 and foreign central office services, private line services, and tie
12 lines.

13 (32) "Multiple Location Discount Aggregator (MLDA)." An
14 entity that offers discounted long distance telecommunications
15 services from an underlying interexchange company to unaffiliated
16 entities. An entity is a MLDA if one or more of the following
17 criteria applies:

18 (a) It collects fees related to interexchange
19 telecommunications services directly from subscribers,

20 (b) It bills for interexchange telecommunications services in
21 its own name,

22 (c) It is responsible for an end user's unpaid interexchange
23 telecommunications bill, or

24 (d) A customer's bill cannot be determined by applying the
25 tariff of the underlying interexchange company to the customer's

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1 individual usage.

2 (33) "Normal Working Days." The normal working days for
3 installation and construction shall be all days except Saturdays,
4 Sundays, and holidays. The normal working days for repair service
5 shall be all days except Sundays and holidays. Holidays shall be
6 the days which are observed by each individual telephone utility.

7 (34) "Optional Calling Plan." An optional service furnished
8 under tariff provisions which recognizes the need of some
9 subscribers for extended area calling without imposing the cost on
10 the entire body of subscribers.

11 (35) "Out of Service." The inability, as reported by the
12 customer, to complete either incoming or outgoing calls over the
13 subscriber's line. "Out of Service" shall not include:

14 (a) Service difficulties such as slow dial tone, circuits
15 busy, or other network or switching capacity shortages;

16 (b) Interruptions caused by a negligent or willful act of the
17 subscriber; and

18 (c) Situations in which a company suspends or terminates
19 service because of nonpayment of bills, unlawful or improper use of
20 facilities or service, or any other reason set forth in approved
21 tariffs or Commission rules.

22 (36) "Outside Plant." The telephone equipment and facilities
23 installed on, along, or under streets, alleys, highways, or on
24 private rights-of-way between the central office and subscribers'
25 locations or between central offices of the same or different

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1 | exchanges.

2 | (37) "Pay Telephone Service Company." Any telecommunications
3 | company, ~~other than a Local Exchange Company,~~ which provides pay
4 | telephone service as defined in Section 364.3375, Florida Statutes.

5 | (38) "Primary Interexchange Company." The pre-subscribed toll
6 | service provider for a subscriber.

7 | (39) "Service Objective." A quality of service which is
8 | desirable to be achieved under normal conditions.

9 | (40) "Service Standard." A level of service which a
10 | telecommunications company, under normal conditions, is expected to
11 | meet in its certificated territory as representative of adequate
12 | services.

13 | (41) "Small LEC." A local exchange telecommunications company
14 | certificated by the Commission prior to July 1, 1995, which had
15 | fewer than 100,000 access lines in service on July 1, 1995.

16 | (42) "Station." A telephone instrument consisting of a
17 | transmitter, receiver, and associated apparatus so connected as to
18 | permit sending or receiving telephone messages.

19 | (43) "Subscriber" or "Customer." These terms may be used
20 | interchangeably herein and shall mean any person, firm,
21 | partnership, corporation, municipality, cooperative organization,
22 | or governmental agency supplied with communication service by a
23 | telecommunications company.

24 | (44) "Subscriber Line." See "Access Line."

25 | (45) "Switching Center." Location at which telephone traffic,

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1 | either local or toll, is switched or connected from one circuit or
2 | line to another. A local switching center may be comprised of
3 | several central office units.

4 | (46) "Toll Connecting Trunk." A trunk which connects a local
5 | central office with its toll operating office.

6 | (47) "Toll Message." A completed telephone call between
7 | stations in different exchanges for which message toll charges are
8 | applicable.

9 | (48) "Traffic Study." The process of recording usage
10 | measurements which can be translated into required quantities of
11 | equipment.

12 | (49) "Trouble Report." Any oral or written report from a
13 | subscriber or user of telephone service to the telephone company
14 | indicating improper function or defective conditions with respect
15 | to the operation of telephone facilities over which the telephone
16 | company has control.

17 | (50) "Trunk." A communication channel between central office
18 | units or entities, or private branch exchanges.

19 | (51) "Valid Number." A number for a specific telephone
20 | terminal in an assigned area code and working central office which
21 | is equipped to ring and connect a calling party to such terminal
22 | number.

23 | **Specific Authority 350.127(2) PS.**

24 | **Law Implemented 364.01, 364.02, 364.32, 364.335, 364.337 PS.**

25 | **History--Revised 12-1-68, Amended 3-31-76, Formerly 25-4.03,**

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1 Amended 2-23-87, 3-4-92, 12-21-93, 3-10-96, _____.

2 25-4.0345 Customer Premises Equipment and Inside Wire

3 (1) Definitions: For purposes of this chapter, the definition
4 to the following terms definitions apply:

5 (a) "Customer Premises Equipment (CPE)," includes terminal
6 equipment intended for use on the customer's premises such as pay
7 telephones, telephone sets, teletypewriters, data terminal
8 equipment, mobile telephone terminal equipment, private branch
9 exchange equipment, key system equipment, dialers and other
10 supplemental equipment. CPE does not include "911" public safety
11 answering point equipment (ALI, ANI, ACD equipment), ~~local exchange~~
12 ~~company pay telephone stations,~~ or telecommunications devices
13 required by hearing or speech impaired subscribers.

14 (b) "Demarcation Point," ~~The is the~~ point of physical
15 interconnection (connecting block, terminal strip, jack, protector,
16 optical network interface, or remote isolation device) between the
17 telephone network and the customer's premises wiring. Unless
18 otherwise ordered by the Commission for good cause shown, the
19 location of this point is:

20 1. Single Line/Single Customer Building -- Either at the
21 point of physical entry to the building or a junction point as
22 close as practicable to the point of entry.

23 2. Single Line/Multi Customer Building -- Within the
24 customer's premises at a point easily accessed by the customer.

25 3. Multi Line Systems/Single or Multi Customer Building --

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1 At a point within the same room and within 25 feet of the FCC
2 registered terminal equipment or cross connect field.

3 4. Temporary Accommodations Subscriber Premises with
4 Inadequate Grounding (e.g., some mobile homes, trailers,
5 houseboats, construction modules) -- On a permanent stake, pole, or
6 structure with a suitable safety ground.

7 (c) "Complex Equipment Wire" ~~The is-the~~ premises wiring
8 owned by the local exchange company which may be used as station
9 wiring and to connect off-premises extensions and is beyond the
10 normal demarcation points.

11 (d) "Inside Wire" ~~All is-all~~ wire or cable other than
12 complex equipment wire located on the customer's side of the
13 demarcation point.

14 (e) "Customer Premises" ~~The is-the~~ discrete real property
15 owned, leased, or controlled by a customer for the customer's own
16 business or residential purposes.

17 (2) The provision and maintenance of CPE ~~Customer-Premises~~
18 ~~Equipment-(CPE)~~ and inside wire, but not complex equipment wire, is
19 deregulated for intrastate purposes.

20 (3) Network facilities up to and including the demarcation
21 point are part of the telephone network, provided and maintained by
22 the telecommunications company under tariff.

23 (4) CPE Network Responsibility. No CPE may harm the network
24 by introducing signals that interfere or affect other subscribers
25 or network operations.

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1 Specific Authority 350.127(2) FS.

2 Law Implemented 364.03 FS.

3 History--New 12-13-82, Amended 9-30-85, Formerly 25-4.345, Amended
4 4-16-90, 3-10-96, _____.

5 25-4.076 Pay Telephone Service Provided By Local Exchange
6 Companies.

7 ~~— (1) Each local exchange company shall, where practical,~~
8 ~~supply at least one coin telephone in each exchange that will be~~
9 ~~available to the public on a twenty four (24) hour basis. This coin~~
10 ~~telephone shall be located in a prominent location in the exchange.~~
11 ~~Except as provided herein, a telephone company may not be required~~
12 ~~to provide pay telephone service at locations where the revenues~~
13 ~~derived therefrom are insufficient to support the required~~
14 ~~investment unless reasonable public requirements will be served.~~
15 ~~Pay stations shall be lighted during the hours of darkness when~~
16 ~~light from other sources is not adequate to read instructions and~~
17 ~~use the instrument.~~

18 ~~— (2) Each telephone station shall return any deposited amount~~
19 ~~if the call is not completed, except messages to a Feature Group A~~
20 ~~access number.~~

21 ~~— (3) Each telephone station shall have the capability of coin~~
22 ~~free access to a local exchange company toll operator and the~~
23 ~~universal emergency telephone number "911" where operable; and coin~~
24 ~~free or coin return access to local directory assistance,~~
25 ~~intercept, repair service and calls to the business office of the~~

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1 company.

2 ~~— (4) Each telephone station shall be equipped with a legible~~
3 ~~sign, card or plate of reasonable permanence which shall identify~~
4 ~~the following: the telephone number and location address of such~~
5 ~~station, the name of the certificate holder and the party~~
6 ~~responsible for repairs or refunds, free telephone number of~~
7 ~~responsible party and clear dialing instructions (including notice~~
8 ~~of the lack of availability of local or toll service). The~~
9 ~~identification of the location address for local exchange and pay~~
10 ~~telephone companies shall be coordinated with the appropriate 911~~
11 ~~or emergency center where applicable. For those pay stations that~~
12 ~~will terminate conversation after fifteen (15) minutes, notice~~
13 ~~shall be included on the sign card as well as an audible~~
14 ~~announcement 30 seconds prior to termination of the phone call.~~

15 ~~— (5) Each telephone station which provides access to any long~~
16 ~~distance carrier shall provide coin free access, except for feature~~
17 ~~group A access, to all locally available interexchange companies.~~
18 ~~For pay stations in equal access areas, such access shall be~~
19 ~~provided through the forms of access purchased by locally available~~
20 ~~long distance carriers and shall include 10XXX + 0, 950 and 800~~
21 ~~access. For those pay stations located in non equal access areas,~~
22 ~~00 shall directly access the AT&T operator. Where 00 is not~~
23 ~~available, 0 to the LEC operator shall be transferred upon request~~
24 ~~to an AT&T operator, and the instruction card shall so indicate. No~~
25 ~~sales solicitation shall be allowed during the interval between the~~

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1 ~~last digit dialed by the end user and connection with the~~
2 ~~interexchange carrier.~~

3 ~~— (6) Each telephone station shall allow incoming calls to be~~
4 ~~received, with the exception of those located at confinement~~
5 ~~facilities, hospitals and schools, and at locations specifically~~
6 ~~exempted by the Commission. There shall be no charge for receiving~~
7 ~~incoming calls. Requests for an exemption from the requirement that~~
8 ~~each telephone station allow incoming calls shall be accompanied by~~
9 ~~a completed FORM PSC/GMU 2 (12/94), which is incorporated into this~~
10 ~~rule by reference. FORM PSC/GMU 2 (12/94), entitled Request to~~
11 ~~Block Incoming Calls, may be obtained from the Commission's~~
12 ~~Division of Communications. The form requires an attestation from~~
13 ~~the owner of the pay telephone, the owner of the pay telephone~~
14 ~~location and the Chief of the responsible law enforcement agency~~
15 ~~that the request is being sought in order to deter criminal~~
16 ~~activity facilitated by incoming calls being received at the~~
17 ~~specified pay telephone. A separate form shall be filed for each~~
18 ~~telephone number for which an exemption is being sought. Where~~
19 ~~incoming calls are not received, central office based intercept~~
20 ~~shall be provided at no charge to the end user and a written notice~~
21 ~~shall be prominently displayed on the instrument directly above or~~
22 ~~below the telephone number which states: "Incoming calls blocked at~~
23 ~~request of law enforcement."~~

24 ~~— (7) Where there are fewer than three telephones located in a~~
25 ~~group, a directory for the entire local calling area shall be~~

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1 ~~maintained at each station. Where there are three or more~~
2 ~~telephones located in a group, a directory for the entire local~~
3 ~~calling area shall be maintained at every other station. However,~~
4 ~~where telephone stations are fully enclosed, a directory shall be~~
5 ~~maintained at each station.~~

6 ~~— (8) Normal maintenance and coin collection activity shall~~
7 ~~include a review of the cleanliness of each station and reasonable~~
8 ~~efforts shall be made to ensure that 95% of all stations are clean~~
9 ~~and free of obstructions.~~

10 ~~— (9) Except as provided in paragraphs (9) (a), (9) (b), and~~
11 ~~(9) (c) below, each telephone station installed after January 5,~~
12 ~~1987 shall conform to subsections 4.29.3 — 4.29.4 and 4.29.7 —~~
13 ~~4.29.8 of the American National Standards Specifications for Making~~
14 ~~Buildings and Facilities Accessible and Usable by physically~~
15 ~~Handicapped People, approved February 5, 1986 by the American~~
16 ~~National Standards Institute, Inc. (ANSI A117.1 1986), which is~~
17 ~~incorporated by reference into this rule. Each telephone station~~
18 ~~installed prior to January 5, 1987 shall conform to the above~~
19 ~~standards by January 1, 1995.~~

20 ~~— (a) Effective June 1, 1992, where there are two or more~~
21 ~~telephone stations located in a group, there shall be a minimum of~~
22 ~~one telephone per group of ten which conforms to the above~~
23 ~~mentioned standards. The conforming station must be physically~~
24 ~~located in the group of telephone stations or within a clear line~~
25 ~~of sight within fifteen (15) feet of the group and free from~~

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1 ~~wheelchair barriers.~~

2 ~~— (b) Except for locations on floors above or below entry level~~
3 ~~in buildings not serviced by a ramp or elevator, such stations~~
4 ~~shall be placed in areas accessible to the physically handicapped.~~

5 ~~— (c) Stations located in buildings which are not accessible to~~
6 ~~physically handicapped persons must comply with the above mentioned~~
7 ~~standards upon modification of the building to make it~~
8 ~~handicap accessible, according to the Americans with Disabilities~~
9 ~~Act.~~

10 ~~— (10) Effective September 1, 1990, each telephone shall permit~~
11 ~~end users to input the additional digits necessary to complete~~
12 ~~calling card calls, using any locally available carrier, without~~
13 ~~operator intervention, and to utilize features such as voice mail~~
14 ~~box and menu driven answering devices. This requirement shall not~~
15 ~~be applicable to pay telephones located in confinement facilities.~~

16 ~~— (11) Pay stations located in confinement facilities shall be~~
17 ~~exempt from the requirements of above subsections (1), (3), (5),~~
18 ~~and (7). Such pay stations shall also be exempt from the~~
19 ~~requirements of subsection (4), except for the audible and written~~
20 ~~15 minute disconnect notification.~~

21 ~~— (12) Toll Fraud Liability.~~

22 ~~— (a) A company providing interexchange telecommunications~~
23 ~~services or local exchange services shall not collect from a pay~~
24 ~~telephone provider for charges billed to a line for calls which~~
25 ~~originated from that line through the use of 10XXX + 0, 10XXX + 01,~~

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1 ~~950-1/XXXX + 0, or 1-800 access code, or when the call originating~~
2 ~~from that line otherwise reached an operator position, if the~~
3 ~~originating line is subscribed to outgoing call screening and the~~
4 ~~call was placed after the effective date of the outgoing call~~
5 ~~screening order.~~

6 ~~— (b) A company providing interexchange telecommunications~~
7 ~~services or local exchange services shall not collect from a pay~~
8 ~~telephone provider for charges for collect or third number billed~~
9 ~~calls, if the line to which the call was billed was subscribed to~~
10 ~~incoming call screening and the call was placed after the effective~~
11 ~~date of the incoming call screening order.~~

12 ~~— (c) Any calls billed through the local exchange company or~~
13 ~~directly by an interexchange company, or through a billing agent,~~
14 ~~which have been identified as not collectible as described in~~
15 ~~paragraphs (a) and (b) above, must be removed from any pay~~
16 ~~telephone provider's bill after the pay telephone provider gives~~
17 ~~notice of the fraudulent charges to the billing party. Such notice~~
18 ~~shall be provided to the LEC and IXC in writing no later than the~~
19 ~~due date of the bill.~~

20 ~~— (d) The LEC is responsible for charges described in paragraph~~
21 ~~(c) that are associated with the failure of the LEC's screening~~
22 ~~services.~~

23 ~~— (e) The IXC is responsible for charges described in paragraph~~
24 ~~(c) that are associated with its failure to properly validate calls~~
25 ~~via the appropriate local exchange company data base.~~

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1 ~~(f) Definitions. For purposes of this rule the term~~

2 ~~1. 'Effective Date' shall mean the date after the call~~
3 ~~screening order was placed and associated charges apply.~~

4 ~~(g) Any charges accrued to a subscriber's line when the~~
5 ~~subscriber has paid the local exchange company to screen calls~~
6 ~~described in paragraphs (a) and (b) above shall not be the basis~~
7 ~~for discontinuance of local or intrastate service.~~

8 ~~(13) Providers serving confinement facilities shall provide~~
9 ~~for completion of all inmate calls allowed by the confinement~~
10 ~~facility.~~

11 Specific Authority 350.127(2) FS.

12 Law Implemented 364.03 FS.

13 History--New 12-1-66, Amended 3-31-76, 3-6-78, Formerly 25-4.76,

14 Amended 1-5-87, 4-14-92, 12-21-92, 2-3-93, 10-10-94, 12-27-94,

15 Repealed.

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1 25-24.475 Company Operations; Rules Incorporated.

2 (1) The following rules are incorporated herein by reference
3 and apply to Interexchange Companies. In these rules, the word
4 "local" should be omitted or interpreted as "toll", as they shall
5 apply only to interexchange and not local service.

6		Portions Not	
7	Section	Title	Applicable
8	25-4.022	Complaint -- Trouble	<u>All None</u>
9		Reports, etc.	
10	25-4.036	Design and	<u>All None</u>
11		Construction of Plant	
12	25-4.038	Safety	<u>All None</u>
13	25-4.039	Traffic	<u>All None</u>
14	25-4.071	Adequacy of Service	Subsections (1) , (2) , 15 (3) , (4) , (5), (6)
16	25-4.076	Pay Telephone Service	All Subsections
17		Provided By Local	except (1)
18		Exchange Companies	
19	<u>25-24.515</u>	<u>Pay Telephone Service</u>	<u>Subsection (2)</u>
20	25-4.077	Metering and Recording	<u>All Subsection (6)</u>
21		Equipment	
22	25-4.160	Operation of	<u>Subsection (1) Subsections</u>
23		Telecommunications	(2) , (3)
24		Relay Service	

25 (2) A company may act as an agent of the customer in

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1 obtaining service from the local exchange company, provided the
2 local exchange company bills the customer directly for the service
3 rendered.

4 **Specific Authority 350.127(2) FS.**

5 **Law Implemented 364.03, 364.035, 364.17, 364.14, 364.15, 364.16,**
6 **364.18, 364.185, 364.30, 364.337, ~~364.345~~ 364.345 FS.**

7 **History--New 2-23-87, Amended 6-24-90, 9-16-92, 2-3-93, 3-13-96,**
8 _____

9 **PART XI**

10 **RULES GOVERNING PAY TELEPHONE SERVICE PROVIDED--**
11 **~~BY OTHER THAN LOCAL EXCHANGE TELEPHONE COMPANIES~~**

12 25-24.500 Reserved

13 25-24.505 Scope

14 25-24.510 Certificate of Public Convenience and Necessity Required

15 25-24.511 Application for Certificate

16 25-24.512 Improper Use of a Certificate

17 25-24.513 Application for Approval of Sale, Assignment or Transfer
18 of Certificate (Repealed)

19 25-24.514 Cancellation of a Certificate

20 25-24.515 Pay Telephone Service

21 25-24.516 ~~Non-Local-Exchange-Company~~ Pay Telephone Rate Caps

22 25-24.520 Reporting Requirements

23 25-24.505 Scope.

24 (1) This part applies to any person ~~other than a Local~~
25 ~~Exchange-Company~~ providing pay telephone service. As provided by

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~~struck-through~~ type are deletions from existing law.

1 Rules 25-4.002, 25-9.001, and 25-14.001, no provision of Chapters
2 25-4, 25-9, or 25-14 shall apply to pay telephone service
3 companies, except the following: 25-4.003 (Definitions), 25-4.0161
4 (Regulatory Assessment Fees; Telecommunications Companies),
5 25-4.019 (Records and Reports In General), 25-4.020(2) (Location
6 and Preservation of Records), and 25-4.043 (Response to Commission
7 Staff Inquiries).

8 ~~(2) To the extent these rules are inconsistent with~~
9 ~~provisions of Chapter 364, Florida Statutes, as regards pay~~
10 ~~telephone service, companies subject to this part are exempted from~~
11 ~~such provisions or are subject to different requirements than~~
12 ~~otherwise prescribed for telephone companies under the authority of~~
13 ~~Section 364.337, Florida Statutes.~~

14 ~~(3) Any applicant may petition for exemption from applicable~~
15 ~~portions of Chapter 364, Florida Statutes, or for application of~~
16 ~~different requirements than otherwise prescribed for telephone~~
17 ~~companies by Chapter 364, Florida Statutes, under the authority of~~
18 ~~Section 364.337, Florida Statutes.~~

19 Specific Authority 350.127(2) FS.

20 Law Implemented 350.113, 350.115, 350.117, 364.01, 364.016, 364.02,
21 364.17, 364.18, 364.183, 364.185, 364.32, 364.337, 364.3375 FS.

22 History--New 1-5-87, Amended 11-13-95,_____.

23 25-24.511 Application for Certificate.

24 (1) Any person desiring to provide pay telephone services
25 must have a pay telephone service certificate.

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struck-through type are deletions from existing law.

1 (2) An applicant shall submit an application on Form PSC/CMU
2 32 ~~(XX/XX)44/91~~, entitled "Application Form for Certificate to
3 Provide Pay Telephone Service Within the State of Florida." which
4 is incorporated into this rule by reference ~~and Form PSC/CMU 32~~
5 ~~(1/91), entitled "Application Form for Certificate to Provide Pay~~
6 ~~Telephone Service Within the State of Florida,"~~ may be obtained
7 from the Commission's Division of Communications. An non-
8 refundable application fee of \$100.00 must accompany the filing of
9 all applications. ~~This is a non-refundable fee to cover the costs~~
10 ~~of processing the application, and it has no relevance on the~~
11 ~~approval or denial of a certificate.~~

12 (3)43 An original and two five ~~(5)~~ copies of the
13 application shall be filed with the Division of Records and
14 Reporting.

15 (4)43 Any pay telephone service authority previously
16 granted or granted hereafter is subject to the following:

17 (a) Authority granted is statewide.

18 (b) Authority is to provide both local and intrastate toll
19 pay telephone service. A certificate to provide pay telephone
20 service does not carry with it the authority to provide local
21 exchange or interexchange service. A separate application must be
22 made for such authority.

23 (5)44 ~~Authority will be granted if the Commission~~
24 ~~determines that the applicant is qualified to provide the service.~~
25 Only one certificate per applicant will be granted ~~unless the~~

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1 ~~applicant show that granting of additional certificates is in the~~
2 ~~public interest.~~ A new certificate will not be granted to any
3 applicant who has previously had a certificate involuntarily
4 cancelled ~~unless the applicant show that granting of the new~~
5 ~~certificate is in the public interest.~~

6 Specific Authority 350.127(2) FS.

7 Law Implemented ~~350.323~~ 364.32, 364.33, 364.335, 364.337,
8 364.3375, 364.345

9 FS.

10 History--New 1-5-87, Amended 9-28-89, 4-7-91, 11-20-91, 12-21-92,

11 _____
12 25-24.515 Pay Telephone Service.

13 (1) For the purposes of this section, the term "direct free"
14 shall mean without requiring the use of a coin, paper money, credit
15 card, or any other form of payment, even if the payment will be
16 returned.

17 (2) Pay telephone stations shall be lighted during the hours
18 of darkness when light from other sources is not adequate to read
19 instructions and use the instrument.

20 (3)~~(2)~~ Each pay telephone station shall return any
21 deposited amount if the call is not completed, except messages to
22 a Feature Group A access number.

23 (4)~~(3)~~ Each pay telephone station shall permit direct free
24 access to the universal telephone number "911", where operable,
25 ~~without requiring the use of a coin, paper money, or a credit card.~~

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1 ~~Where such number is not operable, the station shall permit access~~
2 ~~to a local exchange company toll operator under the same~~
3 ~~conditions.~~

4 (5) Each pay telephone station shall permit direct free
5 access to dialtone.

6 (6) Each Pay telephone station shall permit direct free
7 access to toll free numbers (e.g., 800, 877, and 888).

8 (7) (4) Each pay telephone station shall complete calls r
9 ~~without charge, permit access~~ to local and long distance directory
10 assistance.

11 (8) Each pay telephone station shall complete calls to and
12 ~~the telephone number of any person responsible party for repairs or~~
13 ~~refunds by direct free access, but may provide access by coin~~
14 ~~return. Any long distance directory assistance charges applied to~~
15 ~~the pay telephone service company may be passed on to the customer.~~

16 (9) (5) Except as provided in paragraph 9(c), each pay Each
17 telephone station shall be equipped with a legible sign, card, or
18 plate of reasonable permanence which shall identify the following:

19 (a) The telephone number and location address of the pay
20 telephone each station, name and certificate number of the
21 certificate holder, ~~and~~ the party responsible for repairs and
22 refunds, address of responsible party, free phone number of
23 responsible party, clear dialing instructions (including notice of
24 the lack of availability of local or toll services), and the local
25 coin rate, ~~where applicable, a statement that the phone is not~~

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1 ~~maintained by the local exchange company.~~

2 (b) For those pay telephone stations that will terminate
3 conversation after a minimum elapsed time 45 minutes, notice shall
4 be included on the sign card as well as an audible announcement 30
5 seconds prior to termination of the phone call.

6 (c) Pay telephone providers have until December 31, 1998, or
7 six months after the effective date of this rule, which ever is
8 later, to comply with the requirements of placing the certificate
9 number on the pay telephone station sign, card, or plate.

10 (10)(4) Each pay telephone station which provides access to
11 any interexchange company shall provide coin free access, except
12 for Feature Group A access, to all locally available
13 interexchange companies. The pay telephone station shall
14 provide~~For pay stations in equal access areas, such access shall be~~
15 ~~provided~~ through the forms of access purchased by locally available
16 long distance carriers such as and shall include 10XXX+0, 10XXXX+0,
17 101XXXX+0, 950, and toll free (e.g., 800, 877, and 888) access. For
18 ~~those pay stations located in non equal access areas, 102880 may be~~
19 ~~translated to 00 to directly access AT&T. Otherwise, in non equal~~
20 ~~access areas, 00 shall directly route to an AT&T operator and the~~
21 ~~instruction card shall so indicate. Where 00 is not available, 0~~
22 ~~shall route to the LEC operator for transfer to AT&T and the~~
23 ~~instruction card shall so indicate.~~

24 (11) No sales solicitation shall be allowed during the
25 interval between the last digit dialed by the end user and

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1 connection with the interexchange carrier.

2 ~~(12)(9)~~ All 0- calls shall be routed to a telecommunications
3 company that is authorized by the Commission to handle 0- calls.
4 All other ~~intra~~ calls, including operator service calls, may
5 ~~shall~~ be routed to the pay telephone provider's carrier of choice
6 ~~local-exchange-company~~, unless the end user dials the appropriate
7 access code for their carrier of choice, i.e., 950, ~~400~~, 10XXX,
8 10XXXX, 10XXXXX, and toll free access (e.g., 800, 877, and 888).

9 ~~(13)(4)(a)~~ Each pay telephone station shall allow incoming
10 calls to be received at all times, with the exception of those
11 located at ~~confinement facilities~~, hospitals, and schools, and at
12 locations specifically exempted by the Commission. There shall be
13 no charge for receiving incoming calls.

14 (b) A pay telephone provider may petition the Commission for
15 an exemption from the incoming call requirement for a period that
16 shall not exceed two years from the effective date of the Order
17 granting the exemption. Requests for exemption from the
18 requirement that each pay telephone station allow incoming calls
19 shall be accompanied by a completed FORM FORM PSC/CMU-2
20 (XX/XX)(12/94), entitled "Request to Block Incoming Calls," which
21 is incorporated into this rule by reference ~~and FORM PSC/CMU-2~~
22 ~~(12/94), entitled Request to Block Incoming Calls,~~ may be obtained
23 from the Commission's Division of Communications. The form
24 requires an attestation from the owner of the pay telephone, the
25 owner of the pay telephone location, and the gChief of the

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1 responsible law enforcement agency that the request is sought in
2 order to deter criminal activity facilitated by incoming calls
3 being received at the specified pay telephone. A separate form
4 shall be filed for each telephone number for which an exemption is
5 sought. Exemptions which were granted prior to the two-year
6 limitation will expire two years from the effective date of the
7 amendment establishing the two-year limitation. The provider of
8 the pay telephone service may request grant additional requests
9 for subsequent two-year exemptions by filing if the provider of the
10 pay telephone files another Form PSC/OM-2 (XX/XX). Where incoming
11 calls are not received, central-office based intercept shall be
12 provided at no charge to the ~~end user~~ end-user and a written notice
13 shall be prominently displayed on the instrument directly above or
14 below the telephone number which states: "Incoming calls blocked at
15 request of law enforcement."

16 ~~(14)49~~ Each pay telephone station must be connected to an
17 individual access line, ~~as provided in the pay telephone access~~
18 ~~tariff offered by the local exchange company.~~

19 ~~(15)440~~(a) Each pay telephone service company shall permit
20 outgoing calls to be placed from its pay telephone stations at all
21 times.

22 (b) Each pay telephone service company shall make all
23 reasonable efforts to minimize the extent and duration of
24 interruptions of service. Service repair programs should have as
25 their objective the restoration of service on the same day that the

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1 interruption is reported to the company. (Sundays and holidays
2 excepted.) ~~(b) Each telephone utility shall conduct its operations~~
3 ~~in such manner to ensure that, in each exchange, ninety five (95)~~
4 ~~percent of all interruptions in telephone service occurring in any~~
5 ~~calendar month shall be cleared and service restored within~~
6 ~~twenty four (24) hours (Sundays and holidays excepted) after the~~
7 ~~trouble is reported to the company, except where such interruptions~~
8 ~~are caused by emergency situations, unavoidable casualties, and~~
9 ~~acts of God affecting large groups of subscribers.~~

10 (16) (a) (iii) Where there is a single pay telephone
11 ~~station~~ are fewer than three telephones located in a group, a
12 ~~current white and yellow page~~ directory for the entire local
13 ~~calling area~~ shall be maintained at each station. Where there are
14 two three or more pay telephone stations located in a group, a
15 ~~current white and yellow page~~ directory for the entire local
16 calling area shall be maintained at every other station. However,
17 where pay telephone pay stations are fully enclosed, a current
18 ~~white and yellow page~~ directory shall be maintained at each pay
19 telephone station. For purposes of this rule, the term "directory"
20 shall mean both a current white page directory for the local
21 calling area and a reasonably current yellow page directory that is
22 appropriate for the calling area of the pay telephone station.
23 Companies must comply with this subsection by June 30, 1999
24 ~~December 31, 1999,~~ or six months after the effective date of this
25 rule, which ever is longer.

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1 (b) Pay telephone stations that provide ~~local~~ directory
2 assistance at no charge are exempt from the provisions in (16)(a).
3 A notice must appear on the placard if ~~local~~ directory assistance
4 at no charge is being provided.

5 ~~(17)(43)~~ Normal maintenance and coin collection activity
6 shall include a review of the cleanliness of each pay telephone
7 ~~station and reasonable efforts shall be made to ensure that 95% of~~
8 ~~all stations are clean and free of obstructions.~~

9 ~~(18)(a)(43)~~ Except as provided in paragraphs (18)(a)-(c) and
10 (e) subsections (14)(a), (14)(b), and (14)(c) below, each pay
11 telephone station installed after January 5, 1987 shall conform to
12 sections 4.28.2.4 and 4.29 ~~subsections 4.29.3 4.29.4 and~~
13 ~~4.29.7 4.29.8~~ of the American National Standards Accessible and
14 Usable Buildings and Facilities, approved December 15, 1992.
15 ~~Specifications for Making Buildings and Facilities Accessible and~~
16 ~~Usable by Physically Handicapped People, approved February 5, 1986~~
17 by the American National Standards Institute, Inc. (ANSI
18 A117.1-~~1992~~1996), which is incorporated by reference into this
19 rule. ~~Each telephone station installed prior to January 5, 1987~~
20 ~~shall conform to the above standards by January 1, 1995.~~

21 ~~(b) Where (a) Effective June 1, 1992, where~~ there are two or
22 more pay telephone stations located in a group, there shall be a
23 minimum of one telephone per group of ten which conforms to the
24 ANSI above-mentioned standards listed in subsection (18)(a). The
25 conforming station must be physically located in the group of pay

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1 telephone stations or must be installed within a clear line of
2 sight within 15 feet of the group and the route to the conforming
3 station must be free from wheelchair barriers.

4 ~~(c)(b)~~ Except for locations on floors above or below entry
5 level in buildings not serviced by a ramp or elevator, pay
6 telephone ~~each~~ stations shall be placed in areas accessible to the
7 physically handicapped.

8 ~~(d)(e)~~ Pay telephone stations ~~Stations~~ located in buildings
9 which are not wheelchair accessible to ~~physically handicapped~~
10 ~~persons~~ must comply with all ANSI provisions cited in this
11 subsection except that these stations are exempt from complying
12 with ANSI sections 4.29.2 through 4.29.4, 4.29.7, and 4.29.8 until
13 the building is modified to make it wheelchair accessible, to the
14 ~~above mentioned standards upon modification of the building to make~~
15 ~~it handicap accessible, according to the Americans with~~
16 ~~Disabilities Act.~~

17 (e) Pay telephones shall not be installed where the required
18 "clear floor or ground space" provided for in ANSI section 4.29.2
19 is reduced by a vehicle parked in a designated parking space.

20 (f) Each pay telephone provider shall modify its pay
21 telephone station to comply with ANSI section 4.29.5 within six
22 months from the effective date of these rules.

23 ~~(12)~~ Each pay(14) ~~Effective September 1, 1992,~~ each telephone
24 station shall permit end users to input unlimited the additional
25 digits for the duration of the call necessary to complete calling

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1 ~~card calls, using any locally available carrier, without operator~~
2 ~~intervention, and to utilize features such as voice mail box and~~
3 ~~menu driven answering devices. This requirement shall not be~~
4 ~~applicable to pay telephones located in confinement facilities.~~
5 ~~(15) Pay stations located in confinement facilities shall be~~
6 ~~exempt from the requirements of above subsections (1), (3), (4),~~
7 ~~(6), and (11). Such pay stations shall also be exempt from the~~
8 ~~requirements of subsection (5), except for the audible and written~~
9 ~~15 minute disconnect notification.~~

10 ~~(20)(16)~~ Toll Fraud Liability.

11 (a) A company providing interexchange telecommunications
12 services or local exchange telecommunications services shall not
13 collect from a pay telephone provider for charges billed to a line
14 for calls which originated from that line through the use of access
15 codes such as 10XXX-0, 10XXXX, 101XXXX, 950, and toll free (e.g.,
16 800, 877, 888) 10XXX-01, 950-1/0XXX-0, or 1-800 access codes, or
17 when the call originating from that line otherwise reached an
18 operator position, if the originating line is subscribed to
19 outgoing call screening and the call was placed after the effective
20 date of the outgoing call screening order.

21 (b) A company providing interexchange telecommunications
22 services or local exchange telecommunications services shall not
23 collect from a pay telephone provider for charges for collect or
24 third number billed calls, if the line to which the call was billed
25 was subscribed to incoming call screening and the call was placed

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1 after the effective date of the incoming call screening order.

2 (c) Any calls billed through the provider of local exchange
3 telecommunications services company or directly by an interexchange
4 company, or through a billing agent, which have been identified as
5 not collectible as described in paragraphs (20)(a) and (20)(b)
6 above, must be removed from any pay telephone provider's bill after
7 the pay telephone provider gives notice of the fraudulent charges
8 to the billing party. Pay telephone providers shall give such ~~such~~
9 ~~notice shall be provided~~ to the provider of local exchange
10 telecommunications services LSC and the interexchange company IXC
11 in writing no later than the due date of the bill.

12 (d) The provider of local exchange telecommunications
13 services LSC is responsible for charges described in paragraph
14 (20)(c) that are associated with the failure of the provider of
15 local exchange telecommunications services' LSC's screening
16 services.

17 (e) The interexchange company IXC is responsible for charges
18 described in paragraph (20)(c) that are associated with the failure
19 to properly validate calls via the appropriate provider of local
20 exchange telecommunications services' company data base.

21 (f) Definitions: For purposes of subsection (20) ~~this rule~~
22 the terms

23 ~~—1.~~ "Effective Date" shall mean the date after the call
24 screening order was placed and associated charges apply.

25 (g) Any charges accrued to a ~~subscriber's~~ line when the

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1 subscriber has subscribed to paid the provider of local exchange
2 telecommunications services company to screen calls described in
3 paragraphs (20)(a) and (20)(b) above shall not be the basis for
4 discontinuance of local and intrastate service.

5 ~~(21)(47)~~ Providers serving confinement facilities shall
6 provide for completion of all inmate calls allowed by the
7 confinement facility.

8 (22) Pay telephone stations located in confinement facilities
9 shall be exempt from the requirements of subsections (2), (4), (6),
10 (7), (8), (10), (12), (13), (15), (16), and (19) of this rule.
11 Such pay telephone stations shall also be exempt from the
12 requirements of subsection (9), except that outgoing local and long
13 distance calls may not be terminated until after a minimum elapsed
14 time of ten minutes. Audible and written disconnect notifications
15 shall apply, and one access line shall not be connected to more
16 than three pay telephone stations.

17 Specific Authority 350.127(2) FS.

18 Law Implemented 364.03, 364.035, 364.063, 364.337, ~~364.337~~,
19 364.345 FS.

20 History--New 1-5-87, Amended 4-14-92, 12-21-92, 2-3-93, 10-10-94,
21 12-27-94, 9-5-95, _____.

22 25-24.516 ~~Non-Local-Exchange-Company~~ Pay Telephone Rate Caps.

23 (1) Rates charged any end user by a pay telephone provider,
24 providing operator service within the pay telephone premises'
25 equipment, shall not exceed the following:

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1 (a) Local~~local~~ coin calls -- the rate posted at the pay
2 telephone station, a rate equivalent to the local coin rate of the
3 ~~local exchange telecommunications company, except that a provider~~
4 ~~using a debit card system may charge \$1.00 for a cent paid local~~
5 ~~call made from a pay telephone located in a confinement facility;~~

6 (b) Extended area service (EAS) coin calls - a rate
7 equivalent to the local coin call rate.

8 (c) Extended calling scope (ECS) calls - the rate equivalent
9 to the local coin rate.

10 (d) 0+ toll non-person-to-person - a maximum rate of \$0.30
11 per minute, plus a \$1.75 charge, intralATA and interlATA toll coin
12 calls - a rate of \$.25 per minute, plus a \$1.00 surcharge;

13 ~~----- (e) 0+ and 0 interlATA toll non coin calls billed directly~~
14 ~~or on behalf of the pay telephone provider - a rate of \$.25 per~~
15 ~~minute, plus the Commission authorized set use fee as described in~~
16 ~~subsection (3) below, plus a \$1.00 surcharge.~~

17 (e) 0+ toll person-to-person - a maximum rate of \$.30 per
18 minute, plus a \$3.25 charge.

19 if 0+ non-person-to-person local - a rate equivalent to the
20 local coin rate, plus a \$1.75 charge.

21 if 0+ person-to-person local - a rate equivalent to the
22 local coin rate, plus a \$3.25 charge.

23 (2) A pay telephone provider shall not obtain services from
24 an interexchange carrier or an operator service provider unless
25 such carrier or provider has obtained a certificate of public

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1 convenience and necessity from the Commission.

2 (3) A set use fee of \$.25 shall apply to all completed ~~0- and~~
3 0- local ~~and interLATA toll~~ calls placed from pay telephones. A
4 ~~6-25 set use fee may optionally be applied to completed 0- and 0-~~
5 ~~interLATA toll calls.~~

6 Specific Authority 350.127(2) FS.

7 Law Implemented 364.03, 364.3375(4), (5) FS.

8 History--New 9-5-95; Amended _____.

9 25-24.520 Reporting Requirements.

10 (1) Each pay telephone service company shall file with the
11 Commission's Division of Communications updated information for the
12 following items within ten ~~30~~ days after a change occurs:

13 (a) The street address of the certificate holder including
14 number, street name, city, state and zip code, and the mailing
15 address if it differs from the street address.

16 (b) Name, title, and phone number of the individual
17 responsible for contact with the Commission.

18 ~~(2) Each pay telephone service company shall by January 31 of~~
19 ~~each year provide a report to the local exchange companies listing~~
20 ~~the station number and location of all of its pay telephones.~~

21 Specific Authority 350.127(2) FS.

22 Law Implemented 350.115, 350.117, 364.17, 364.18, 364.185, 364.3375
23 FS.

24 History--New 1-5-87, Amended 1-2-91, 12-29-91, _____.

25
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FLORIDA PUBLIC SERVICE COMMISSION

REQUEST TO BLOCK INCOMING CALLS

Original Request (check one) Subsequent Request

PAY TELEPHONE NUMBER: (ONE NUMBER PER REQUEST, NO EXCEPTIONS) _____

PHYSICAL LOCATION OF PAY TELEPHONE (ADDRESS): _____

NAME OF BUSINESS WHERE PAY TELEPHONE IS LOCATED: _____

To deter criminal activity facilitated by individuals receiving incoming calls at the pay telephone listed above, I request that I be granted an exemption from the requirement that incoming calls be received at the pay telephone location (Rule 25-24.515(13), F.A.C. I agree to provide central office based intercept at no charge to the end-user and to prominently display a written notice directly above or below the telephone number which states: "Incoming calls blocked at request of law enforcement."

I, the undersigned owner or officer of the pay telephone company named below, have read the foregoing and declare that to the best of my knowledge and belief, the above information is a true and correct statement. I am aware that pursuant to Section 837.06, Florida Statutes, whoever knowingly makes a false statement in writing with the intent to mislead a public-servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree.

SIGNATURE OF OWNER/OFFICER OF PAY TELEPHONE COMPANY: _____ DATE: _____

NAME OF OWNER/OFFICER OF PAY TELEPHONE COMPANY (PRINT OR TYPE): _____

NAME OF PAY TELEPHONE COMPANY: _____

MAILING ADDRESS & TELEPHONE NUMBER: _____

I, the undersigned owner of the above referenced pay telephone location, declare that to the best of my knowledge and belief, criminal activity is associated with and facilitated by incoming calls being received at the pay telephone number and location referenced above. It is my belief that allowing incoming calls to be blocked at the pay telephone will eliminate or help control that activity and attest to this fact by my signature below. I am aware that pursuant to Section 837.06, Florida Statutes, whoever knowingly makes a false statement in writing with the intent to mislead a public-servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree.

SIGNATURE OF LOCATION OWNER: _____ DATE: _____

NAME OF PAY TELEPHONE LOCATION OWNER (PRINT OR TYPE): _____

MAILING ADDRESS & TELEPHONE NUMBER: _____

I, the undersigned Chief of the law enforcement agency in the jurisdiction in which the above-referenced pay telephone is located, declare that to the best of my knowledge and belief, criminal activity is associated with and facilitated by incoming calls being received at the pay telephone number and location referenced above. It is my belief that allowing incoming calls to be blocked at the pay telephone will eliminate or help control that activity and attest to this fact by my signature below. I am aware that pursuant to Section 837.06, Florida Statutes, whoever knowingly makes a false statement in writing with the intent to mislead a public-servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree.

SIGNATURE OF CHIEF OF RESPONSIBLE LAW ENFORCEMENT AGENCY: _____ DATE: _____

NAME & POSITION/TITLE (PRINT OR TYPE): _____

NAME OF LAW ENFORCEMENT AGENCY: _____

MAILING ADDRESS & TELEPHONE NUMBER: _____

****FLORIDA PUBLIC SERVICE COMMISSION****

**DIVISION OF COMMUNICATIONS
BUREAU OF SERVICE EVALUATION**

**APPLICATION FORM
FOR
CERTIFICATE TO PROVIDE
PAY TELEPHONE SERVICE
WITHIN THE STATE OF FLORIDA**

INSTRUCTIONS

- This form is used as an application for an original certificate to provide pay telephone service within the State of Florida.
- Print or type all responses to each item requested in the application. If an item is not applicable, please explain.
- Use a separate sheet for each answer which will not fit within the allotted space.
- Once completed, submit the original and two (2) copies of this form and a non-refundable application fee of \$100.00 to:

Florida Public Service Commission
Division of Records and Reporting
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6770

- If you have questions about completing the form, contact:

Florida Public Service Commission
Division of Communications
Bureau of Service Evaluation
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6600

1. Name of company:

2. Name under which applicant will do business (fictitious name, etc.):

3. Official mailing address:

Street: _____

P.O. Box: _____

City: _____

State: _____ Zip: _____

4. Florida address:

Street: _____

P.O. Box: _____

City: _____

State: _____ Zip: _____

5. Structure of organization:

Individual

Corporation

General Partnership

Limited Partnership

Other: _____

6. If incorporated in Florida, provide proof of authority to operate in Florida:

Florida Secretary of State
Corporate Registration Number: _____

7. If using fictitious name d/b/a (doing business as), provide proof of compliance with the fictitious name statute (Chapter 865.09, Florida Statutes) to operate in Florida:

Florida Fictitious Name

Registration Number: _____

8. F.E.I. Number (if applicable): _____

9. If individual, provide:

Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

Internet E-Mail Address: _____

Internet Website Address: _____

10. If partnership, provide name, title and address of all partners and a copy of the partnership agreement:

a. Name: _____

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ Fax No.: _____

Internet E-Mail Address: _____

Internet Website Address: _____

10. Partnership (continued)

b. Name: _____
Title: _____
Address: _____
City/State/Eip: _____
Telephone No.: _____ Fax No.: _____
Internet E-Mail Address: _____
Internet Website Address: _____

11. Who will serve as liaison to the Commission with regard to the following?

a. The application:

Name: _____
Title: _____
Address: _____
City/State/Eip: _____
Telephone No.: _____ Fax No.: _____
Internet E-Mail Address: _____
Internet Website Address: _____

b. Official Point of Contact for ongoing company operations including complaints and inquiries:

Name: _____
Title: _____
Address: _____
City/State/Eip: _____
Telephone No.: _____ Fax No.: _____
Internet E-Mail Address: _____
Internet Website Address: _____

11. Indicate if applicant or any subsidiary, partner, officers, directors, or any stockholder has been previously adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings.

If so, provide explanation: _____

12. Has the applicant or any subsidiary, partner, officer, director, or any stockholder ever been granted or denied a pay telephone certificate in the State of Florida? (This includes active and canceled pay telephone certificates.) If yes, provide explanation and list the certificate holder and certificate number.

13. Is the applicant or any subsidiary, partner, officer, director, or any stockholder a subsidiary, partner, or officer in any other Florida certificated pay telephone company? If yes, give name of company and relationship. If no longer associated with company, give reason why not.

14. List other states in which the applicant:

a. Is currently providing pay telephone service.

b. Has applications pending to be certified as a pay telephone provider.

c. Has been denied authority to operate as a pay telephone provider. Explain circumstances.

d. Has had regulatory penalties imposed for violations of telecommunications statutes, rules, or orders. Explain circumstances.

15. Please check (✓) the services that will be provided:

- () LOCAL
- () LONG DISTANCE
- () COIN
- () CALLING CARD
- () CREDIT CARD
- () OTHER (Describe) _____

16. Proposed number of pay telephone instruments the applicant plans to install/operate in the first year: _____

17. How does the applicant intend to service and maintain each payphone? Check (✓) all that apply.

- () PERSONALLY
- () FULL-TIME TECHNICIAN
- () PART-TIME TECHNICIAN
- () SERVICE/REPAIR/MAINTENANCE CONTRACT
- () OTHER (Describe) _____

18. Will each of the installed pay telephones provide access to all locally available long distance carriers via 10XXX+0, 10XXXX+0, 10XXXXX+0, 950, and toll free (e.g. 800, 877, and 888)? See Rule 25-24.515(10), Florida Administrative Code.

- () Yes
- () No Explain: _____

19. Will each of the installed pay telephones conform to subsections 4.28.8.4 and 4.29 of the American National Standard (CABO/ANSI A117.1-1992), Accessible and Usable Buildings and Facilities, approved December 15, 1992 by the American National Standards Institute, Inc.? See Rule 25-24.515(18), Florida Administrative Code.

- () Yes
- () No Explain: _____

****APPLICANT FEE/TAX STATEMENT****

1. **REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of 0.15 of one percent of the gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
2. **GROSS RECEIPTS TAX:** I understand that all telephone companies must pay a gross receipts tax of two and one-half percent on all intra- and interstate business.
3. **SALES TAX:** I understand the a seven percent sales tax must be paid on intra- and interstate revenues.
4. **APPLICATION FEE:** I understand that a non-refundable application fee of \$100.00 must be submitted with the application.

UTILITY OFFICIAL:

Print Name

Signature

Title

Date

Telephone No.

Fax No.

Address: _____

****ACKNOWLEDGMENT****

By my signature below, I, the undersigned owner/officer, have read the foregoing and declare that, to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

I will comply with all current and future Commission requirements regarding pay telephone service. I understand that I am required to pay a regulatory assessment fee (minimum of \$50.00 per calendar year), file an annual pay telephone service report, pay applicable sales tax, and pay gross receipts tax. Furthermore, I agree to keep the Commission advised of any changes in the names and addresses listed in the application within 10 days of the change.

Further, I am aware that, pursuant to Chapter 837.06, Florida Statutes, "Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083."

UTILITY OFFICIAL:

Print Name

Signature

Title

Date

Telephone No.

Fax No.

Address: _____

****APPLICANT ACKNOWLEDGMENT****

Applicant: _____

I acknowledge receipt and understanding of the Florida Public Service Commission's Rules and Requirements relating to my provision of Pay Telephone Service.

Print Name _____ Signature _____

Title _____ Date _____

Telephone No. _____ Fax No. _____

Address: _____

THIS ACKNOWLEDGMENT FORM MUST BE COMPLETED AND RETURNED AS PART OF THE APPLICATION BEFORE THE CERTIFICATION PROCESS BEGINS. FAILURE TO DO SO WILL RESULT IN A DELAY OF THE CERTIFICATE BEING ISSUED.

TYONI JENNINGS
President



DANIEL WEBSTER
Speaker



RECEIVED

OCT 23 PM 12:59

Division of Appeals

THE FLORIDA LEGISLATURE
**JOINT ADMINISTRATIVE
PROCEDURES COMMITTEE**

Representative Jerrold Burroughs, Chairman
Senator Charles Williams, Vice Chairman
Senator Gary Brown-Waltz
Senator Fred E. Dudley
Representative Adam H. Puzan
Representative Jimmy Westbrook

CARROLL WEBB, EXECUTIVE DIRECTOR
AND GENERAL COUNSEL
Room 138, Holland Building
Tallahassee, Florida 32399-1300
Telephone (850) 488-9118

October 21, 1998

Ms. Diana W. Caldwell
Associate General Counsel
Division of Appeals
Public Service Commission
Capital Circle Office Center
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Public Service Commission Rule Chapter 25-24

Dear Diana:

I have completed a review of the proposed amendments to Chapter 25-24 and prepared the following comments for your consideration and response.

25-24.511

(2): The following comments pertain to **Form PSC/CMU 32**:

The title of the form, as stated in the rule, should be made consistent with the title as stated on the form itself.

Paragraph 20: The first sentence should be amended to reflect the new ANSI standards as contained in the rule. Should not the reference be to rule 25-24.515(18) rather than to 25-24.515(14)?

Appendix A: This document is not an affidavit. Is it the Commission's intent that this document satisfy the requirement of §364.335(1)(d), F.S.?

Ms. Caldwell
October 21, 1998
Page 2

(5): The rule should be amended to explain what is meant by the term "in the public interest."

25-24.515

(13)(b): The rule provides in pertinent part that the Commission "may" grant additional exemptions as described. However, the rule contains no standards or criteria to apprise the reader of whether or not the Commission will grant such additional exemptions under any circumstances. This renders the rule objectionable pursuant to §120.52(8)(d), F.S., (rule is invalid exercise of delegated legislative authority where it is vague, fails to establish adequate standards for agency decisions, or vests unbridled discretion in the agency).

With regard to **Form PSC/CMU-2**, should not the first paragraph refer to rule 25-24.515(13) rather than to 25-24.515(8)? In addition, should not the reference to rule 25-4.076(6) be deleted, inasmuch as that rule is being repealed?

(18)(a): Please send me a copy of the incorporated documents. When the rule is filed for adoption, a copy of the documents should be filed pursuant to rule 1S-1.005, F.A.C. Another copy of such documents need not be supplied to this office at that time.

Should not §364.3375, F.S., be added as law implemented?

I am available at your convenience to discuss the foregoing comments.

Sincerely,



John Rosner
Staff Attorney

#118987
JR: CW S:\ATTY\25-24.JR

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Proposed repeal of Rule 25-4.076, F.A.C., Pay Telephone Service Provided by Local Exchange Companies, and proposed amendments to Rules 25-4.003, F.A.C., Definitions; 25-4.0345, F.A.C., Customer Premises Equipment and Inside Wire; 25-24.475, F.A.C., Company Operations; Rules Incorporated; 25-24.505, F.A.C., Scope; 25-24.511, F.A.C., Application for Certificate; 25-24.515, F.A.C., Pay Telephone Service; 25-24.516, F.A.C., Non-Local Exchange Pay Telephone Rate Caps; and 25-24.520, F.A.C., Reporting Requirement

Docket No. 951560-TP

Dated: October 2, 1998

OCT-5 11 21

FLORIDA PUBLIC TELECOMMUNICATIONS ASSOCIATION, INC.'S
COMMENTS AND PROPOSED LOWER COST REGULATORY ALTERNATIVES

Pursuant to Order No. PSC-98-1210-NOR-TP, issued September 11, 1998, and Section 120.541, Florida Statutes, the Florida Public Telecommunications Association, Inc. ("FPTA") hereby files these comments and proposes these lower cost regulatory alternatives to several sections of the proposed rules set forth above. In support thereof, FPTA states as follows:

- 1. The complete name and address of the entity responsible for these comments is:

Florida Public Telecommunications Association, Inc.
125 South Gadsden Street
Suite 200
Tallahassee, Florida 32301

- 2. All notices, pleadings, orders, and other documents should be directed to:

Angela B. Green
Florida Public Telecommunications Association, Inc.
125 South Gadsden Street
Suite 200
Tallahassee, Florida 32301

3. FPTA is a domestic, not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes. The membership of the FPTA includes payphone service providers ("PSPs") certificated by the Florida Public Service Commission ("FPSC" or "the Commission"). FPTA's members, as PSPs, have a substantial interest in the subject matter of the rules being addressed through this docket because these rules directly effect the terms and conditions under which FPTA's members conduct business in the State of Florida.

4. On September 11, 1998, the Commission issued Order No. PSC-98-1210-NOR-TP, in which it proposed repealing and amending certain rules related to regulation of pay telephone providers. The proposed rule changes were published in the September 18, 1998, edition of the Florida Administrative Weekly. The comments below pertain to certain changes proposed by the Commission in the above-referenced order.

5. The Commission's proposed amendment to Rule 25-24.515(13)(b) appears to have a typographical error. The words "for an exemption" should be inserted after the word "Commission" so that the first line of this rule would read:

A pay telephone provider may petition the Commission for an exemption from the incoming call requirement for a period that shall not exceed two years from the effective date of the Order granting the exemption.

6. The Commission has proposed amending Rule 25-24.515(16)(a) to require both white and yellow page directories at pay telephones. Initially FPTA notes that it maintains its strong objections to being required to obtain additional yellow page volumes where the yellow pages are not included within the same book as the white pages. In major metropolitan areas, this will mean that a pay telephone will have to accommodate three volumes of directories, necessitating considerably more costly equipment than usual, as well as extra maintenance and

associated expenses. Swing-away binders to accommodate this many volumes will cost approximately \$200 as opposed to a single volume binder that would cost approximately \$75. There is already a problem keeping phone books in place at certain locations without imposing the requirement for maintaining even more volumes. Additionally, yellow pages are a purely commercial activity that is not regulated by the FPSC. PSPs should not be required to provide free advertising space for commercial entities at their pay telephones. Local exchange companies are not required to publish or provide yellow page directories to their customers. In fact, the Commission does not require any other telecommunications company to provide yellow page directories to customers, nor does it have any type of jurisdiction over the entities that publish and/or distribute these directories. FPTA has no objection, however, to being required to furnish white page directories for the local calling area of the pay telephone.

7. Proposed Rule 25-24.515(16)(a) would require "a current white and yellow page directory for the entire local calling area" anytime a directory is required under the rules. At the Agenda Conference during which the Commission considered these rule amendments, there was a discussion about alternatives to the yellow page directories published by LEC affiliates. The Commission indicated that it was willing to accept one of these alternative type directories at the pay telephone and that there was no intent to require pay telephone providers to only use directories published by LEC affiliates. The Commission further indicated that it would be amenable to modifying the language of the rule to allow PSPs to utilize alternative directories. In light of this discussion, FPTA suggests the following language for Rule 25-24.515(16)(a):

Where there is a single pay telephone station, a directory shall be maintained at the station. Where there are two or more pay telephone stations located in a group, a directory shall be maintained at every other station. However, where pay telephone stations are fully enclosed, a directory shall be maintained at each station. For purposes

of this rule, the term "directory" shall mean both a current white page directory for the entire local calling area and a reasonably current yellow page directory that is appropriate for the calling area of the pay telephone station. Companies must comply with this subsection by June 30, 1999, or six months after the effective date of this rule, whichever is longer.

FPTA believes that these modifications would result in a lower regulatory cost for PSPs while still providing the same degree of service to consumers contemplated by the Commission because PSPs would be authorized to utilize alternatives to the yellow page directories published by LEC affiliates. FPTA finds these modifications more palatable than the original language proposed by the Commission. However, FPTA still maintains its objections to being required to furnish commercial advertising at pay telephones and urges the Commission to reconsider this policy.

8. The Commission's proposed amendment to Rule 25-24.515(16)(b) appears to have a typographical error. The word "local" should be inserted in two places so that the rule would read:

Pay telephone stations that provide local directory assistance at no charge are exempt from the provisions in (16) (a). A notice must appear on the placard if local directory assistance at no charge is being provided.

9. The Commission has also proposed substantial amendments to Rule 25.24.516, the rule addressing pay telephone rate caps. In reviewing this rule as a whole, it appears that the Commission inadvertently omitted the cap for operator assisted local calls. FPTA suggests the following language be added to an appropriate place within Rule 25-24.516:

0+ non-person-to-person local calls - a rate equivalent to the local coin rate, plus a \$1.75 charge.

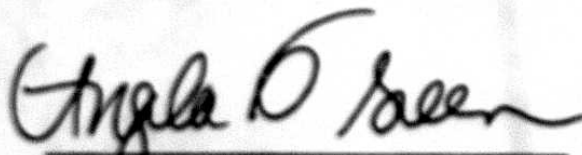
0+ person-to-person local calls - a rate equivalent to the local coin rate, plus a \$3.25 charge.

10. As to the rate caps proposed in these rule amendments, FPTA notes that the Commission has also proposed substantial amendments to the rate caps for operator services providers ("OSPs") in Docket No. 960312-TP. FPTA understands that it is the Commission's intent that rate caps in Docket No. 960312-TP and Docket No. 951560-TP correspond with each other so that identical calls (from the end user's perspective) have identical rate caps, regardless of where the "long" is generated (regardless of whether the call rating function is performed by store-and-forward type equipment in the pay station or whether the call is routed to an OSP). FPTA supports this approach. Because comments have been filed by at least one party in response to the Commission's proposed rate caps in Docket No. 960312-TP, the Commission may need to come back to this docket and revise these rate caps if it ultimately decides to change any of the proposed rate caps in Docket No. 960312-TP.

11. Finally, to the extent the Commission may deem it necessary to convene a hearing in this matter, FPTA believes the currently scheduled hearing date of October 19, 1998, would not be reasonable. Comments are due to be filed in this docket by the close of business October 9, 1998. A hearing date of October 19th would only allow one week between the time comments are filed and the hearing would be held. This would not allow adequate preparation time for either Staff or interested parties. Accordingly, if the Commission were to hold a hearing in this docket, the hearing date would need to be rescheduled. FPTA is not requesting a hearing, but merely pointing out the scheduling issue and making this rescheduling request in the event that either another entity requests a hearing or the Commission or Staff deem a hearing to be necessary.

WHEREFORE, FPTA requests that the Commission consider these comments and adopt these proposals for lower cost regulatory alternatives.

Respectfully submitted this 2nd day of October, 1998.



ANGELA B. GREEN
GENERAL COUNSEL

Florida Public Telecommunications
Association, Inc.
125 South Gadsden Street
Suite 200
Tallahassee, FL 32301

(850) 222-5050 (telephone)
(850) 222-1355 (facsimile)

Upp/Caldwell

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

98 OCT 12 11 24

Proposed repeal of Rule 25-4.076, F.A.C.,)	Docket No. 951560-TP
Pay Telephone Service Provided by Local Exchange)	
Companies, and proposed amendments to Rules)	
25-4.003, F.A.C., Definitions; 25-4.0345, F.A.C.)	Filed: October 9, 1998
Customer Premises Equipment and Inside Wire;)	
25-24.475, F.A.C., Company Operations; Rules)	
Incorporated; 25-24.505, F.A.C., Scope; 25-24.511,)	
F.A.C., Application for Certificate; 25-24.515,)	
F.A.C., Pay Telephone Service; 25-24.516, F.A.C.,)	
Non-Local Exchange Company Pay Telephone Rate))	
Cap; and 25-24.520, F.A.C., Reporting)	
Requirements.)	

COMMENTS
OF AT&T COMMUNICATIONS OF THE SOUTHERN STATES, INC.

Pursuant to Order No. PSC-98-1210-NOR-TP and section 120.541, Florida Statutes, AT&T Communications of the Southern States, Inc. (AT&T) hereby files these comments and proposes this lower cost regulatory alternatives in the above docket. In support, AT&T shows as follows:

1. AT&T, a company incorporated in New York, is authorized to provide telecommunications services in the state of Florida, including pay telephone services.

AT&T's business address is:

AT&T Communications of the Southern States, Inc.
101 N. Monroe Street, Suite 700
Tallahassee, Florida 32301

2. On September 11, 1998, the PSC issued Order No. PSC-98-1210-NOR-TP in which it proposed to proposed to repeal and amend certain rules relating to pay

telephone providers. The proposed rule amendments were published in the September 18, 1998 issue of the Florida Administrative Code.

3. AT&T adopts and incorporates by reference the comments of the Florida Public Telephone Association filed on October 2, 1998, with regard to the Commission's proposed amendment to Rule 25-24.515(16)(b). AT&T agrees that the word "local" should be inserted into the rule.

4. On August 8, 1998, AT&T filed its Comments and Proposed Lower Cost Regulatory Alternatives in Docket No. 960312-TP, relating to operator service providers. A copy of the filing is attached hereto and incorporated herein. AT&T understands that the Commission intends the pay phone operator service rate caps to mirror the operator service rate caps that will be imposed in Docket No. 960312-TP. Accordingly, AT&T requests that the Commission adopt for pay phone providers the rate caps ultimately adopted in Docket No. 960312-TP.

WHEREFORE, AT&T respectfully requests the Commission consider these comments.

Respectfully submitted;



Marsha E. Rule
101 North Monroe
Suite 700
Tallahassee, Florida 32301
(904) 425-6365 (phone)
(904) 425-6361 (fax)

ATTORNEY FOR AT&T
COMMUNICATIONS OF THE
SOUTHERN STATES, INC.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Proposed Amendments to Rules 25-4.002, F.A.C.,) Docket No. 960312-TP
Application and Scope; 25-24.600, F.A.C.,)
Application and Scope; 25-24.610, F.A.C., Terms)
and Definitions; Rules Incorporated; 25-24.620,) Filed: August 8, 1998
F.A.C., Service Requirements for Companies)
Providing Operator Services; 25-24.630, F.A.C.,)
Rate and Billing Requirements; and 25-4.800,)
F.A.C., Scope.)
_____)

COMMENTS AND
PROPOSED LOWER COST REGULATORY ALTERNATIVES
OF AT&T COMMUNICATIONS OF THE SOUTHERN STATES, INC.

Pursuant to Order No. PSC-98-0939-NOR-TP and section 120.541, Florida Statutes, AT&T Communications of the Southern States, Inc. (AT&T) hereby files these comments and proposes this lower cost regulatory alternative to proposed Rule 25-24.630, F.A.C. In support, AT&T shows as follows:

1. AT&T, a company incorporated in New York, is authorized to provide telecommunications services in the state of Florida, including operator services.

AT&T's business address is:

AT&T Communications of the Southern States, Inc.
101 N. Monroe Street, Suite 700
Tallahassee, Florida 32301

2. On July 13, 1998, the PSC issued Order No. PSC-98-0939-NOR-TP, in which it proposed to proposed to amend certain rules, including Rule 25-24.630, F.A.C. The proposed rule amendments were published in the July 17, 1998 issue of the Florida Administrative Code.

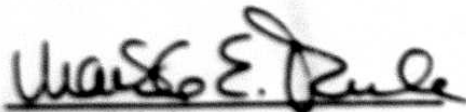
3. In Order No. PSC-98-0939-NOR-TP, the Commission proposed to amend Rule 25-24.630(1) to adopt intrastate operator service rate caps. The rate caps selected by the Commission are lower than the rates currently charged by AT&T. In fact, the Commission set the rate caps at the level charged by AT&T in 1996. Thus, the rule amendments have the effect of overruling Order No. 20489, in which the commission adopted AT&T's operator services rates as the maximum rate to be charged by alternative (non-AT&T, non-LEC) operator service providers.

4. During the agenda conference at which the Commission considered these proposals, Commissioners and Staff indicated that the reason for selecting AT&T's 1996 rates as the cap was that they believed costs have decreased since that time. While many telecommunications costs have decreased - and many of AT&T's rates have been lowered - operator costs have increased, particularly the costs associated with the use of a live operator.

5. AT&T requests that the Commission set the non-person-to-person rate cap at AT&T's presently-tariffed level. AT&T makes no such request with regard the proposed person-to-person rate cap of \$3.25. Setting the rates at this level would produce a lower regulatory cost to AT&T and all providers presently governed by the de facto rate cap provided by AT&T's rates, without increasing costs to consumers who currently pay these rates.

6. The Commission could further reduce the regulatory cost of this rule amendment by allowing allow operator service providers the option of raising their capped rates by an amount not to exceed twenty percent within a twelve month period, similar to the procedure by which price-regulated LECs may raise their rates for non-

Respectfully submitted,



Marsha E. Rule
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(904) 425-6365 (phone)
(904) 425-6361 (fax)

ATTORNEY FOR AT&T
COMMUNICATIONS OF THE
SOUTHERN STATES, INC.