

State of Florida

Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850



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RECORDS AND REPORTING

DATE: AUGUST 5, 1999

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

FROM: DIVISION OF LEGAL SERVICES (D.CLEMONS) *Amc*
DIVISION OF COMMUNICATIONS (T.E.JOHNSON) *Jeff*

RE: DOCKET NO. 990820-TC - INITIATION OF SHOW CAUSE PROCEEDINGS AGAINST SPRINT PAYPHONE SERVICES, INC. FOR APPARENT VIOLATION OF RULE 25-24.515, F.A.C., PAY TELEPHONE SERVICE

AGENDA: 08/17/99 - REGULAR AGENDA - SHOW CAUSE - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMU\WP\990820.RCM

CASE BACKGROUND

- January 28, 1999 - Sprint Payphone Services, Inc.'s 1998 regulatory assessment fee return reported gross intrastate revenues of \$6,452,152 and 8266 pay telephones in operation.
- February 18, 1999 - Staff performed a routine service evaluation on a pay telephone station operated by Sprint Payphone Services, Inc. and found the apparent violation as presented in Attachment A (Page 4).
- March 18, 1999 - Staff received a Service Violation Correction Form from Sprint Payphone Services, Inc. signifying that the apparent violation was corrected.

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- April 15, 1999 - Staff reevaluated the pay telephone station and found the same apparent violation as presented in Attachment A.
- June 24, 1999 - Staff opened this docket to investigate whether Sprint Payphone Services, Inc. should be required to show cause why it should not be fined or have its certificate canceled.
- July 21, 1999 - Sprint Payphone Services, Inc. submitted an offer to settle this case. (Attachment B, Page 5)

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission accept the settlement offer proposed by Sprint Payphone Services, Inc. (Sprint) to resolve the apparent violation of Rule 25-24.515, Florida Administrative Code, Pay Telephone Service?

RECOMMENDATION: Yes. The Commission should accept the company's settlement proposal. Any contribution should be received by the Commission within ten business days from the issuance date of the Commission Order and should identify the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. (T.E. JOHNSON)

STAFF ANALYSIS: Staff performed a service evaluation of the pay telephone station on February 18, 1999. Through written correspondence, staff notified Sprint of the apparent violation.

Staff performed a reevaluation of the same pay telephone station on April 15, 1999. Although Sprint reported that the violation had been corrected, the table provided as Attachment A depicts the apparent rule violation that was a repeat of a violation observed during the initial evaluation.

Based on the showings of the reevaluation that the pay telephone station exhibited the same apparent violation, staff opened this docket to investigate whether Sprint should be required to show cause why it should not be fined \$100 or have its certificate canceled, pursuant to Section 364.285, Florida Statutes.

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On July 20, 1999, Sprint contacted staff to discuss the method for settlement of this case and request a deferral of its item from the July 27, 1999, Agenda Conference. On July 21, 1999, Sprint submitted its offer to settle provided as Attachment B. In its settlement offer, Sprint agreed to do the following:

- Sprint will voluntarily pay \$100 to the General Revenue Fund.
- Sprint has undertaken an educational effort within its pay telephone operations to avoid a repeat of this situation.

Staff supports Sprint's educational effort to avoid a repeat of this situation and feels that Sprint is demonstrating its willingness to meet the objectives of the Commission's rules.

Moreover, the company has been forthright in its assertion that the cited violation was valid and has been very cooperative in resolving all issues. Any contribution should be received by the Commission within ten business days from the issuance date of the Commission Order and should identify the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. Staff believes the terms of the settlement agreement as summarized in this recommendation are fair and reasonable.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: No. With the approval of Issue 1, this docket should remain open pending the remittance of the \$100 voluntary contribution. Upon remittance of the settlement payment, this docket should be closed. If the company fails to pay in accordance with the terms of the settlement offer, the monetary settlement will be forwarded to the Comptroller's office for collection, and this docket will be closed. (D.CLEMONS)

STAFF ANALYSIS: This docket should remain open pending the remittance of the \$100 voluntary contribution. Upon remittance of the settlement payment, this docket should be closed. If the company fails to pay in accordance with the terms of its settlement offer, the monetary settlement will be forwarded to the Comptroller's office for collection, and this docket closed.

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ATTACHMENT A

Pay Telephone Station Number	Rule 25-24.515(7), Florida Administrative Code
	No Access To Toll Directory Assistance
850-385-9124	X

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ATTACHMENT B



July 21, 1999

Charles J. Rehwinkel
General Attorney

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Tallahassee, FL 32316
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Voice 850 847 0244
Fax 850 599 1458

Ms. Elaine Johnson
Division of Communications
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. 990820-TC

Dear Ms. Johnson:

Sprint is writing in response to staff's recommendation to issue a show cause for violation of Commission Rule 25-24.515. Sprint's investigation of the matter presented by staff indicates that a mistake was made as a result of the method utilized to communicate the appropriate information to a technician concerning the on site tests to be performed pursuant to the noted violation.

In an effort to resolve this matter without requiring a hearing or further proceedings, Sprint is willing to make a voluntary contribution of \$100.00 to the general fund of the State of Florida. In addition, the Company has already undertaken an educational effort within the payphone operations to avoid a repeat of this situation.

We request favorable consideration of this offer of settlement and urge a favorable recommendation of acceptance to the Commission.

Please call me at 850-847-0244 if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Charles J. Rehwinkel".

Charles J. Rehwinkel
Senior Attorney
Sprint

cc: Harvey Spears
Dave Roseman