

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Modified Minimum Filing) DOCKET NO. 910927-TL
Requirements Report of ST.) ORDER NO. PSC-93-0328-FOF-TL
JOSEPH TELEPHONE AND TELEGRAPH) ISSUED: 03/04/93
COMPANY.)
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
THOMAS M. BEARD
SUSAN F. CLARK
JULIA L. JOHNSON
LUIS J. LAUREDO

ORDER SETTING FORTH REFUND METHODOLOGY

AND

NOTICE OF PROPOSED AGENCY ACTION
ORDER DETERMINING 1992 REFUND AMOUNT

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed in Section II of this Order is preliminary in nature and will become final unless a person whose interests are adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

I. BACKGROUND

St. Joseph Telephone and Telegraph Company (St. Joe or the Company) filed its Modified Minimum Filing Requirements (MMFRs) on September 30, 1991, using a test year ended June 30, 1991. By Order No. PSC-92-0284-FOF-TL, St. Joe was required to file its Minimum Filing Requirements (MFRs) for the test year ended December 31, 1991. These schedules were filed on July 15, 1992. The matter was set for hearing by the same Order.

On October 27, 1992, St. Joe's attorney filed a proposal to resolve certain issues pertaining to its revenue requirement. On November 2, 1992, the Office of Public Counsel (OPC) filed a letter agreeing to St. Joe's proposal. At the November 3, 1992, Agenda Conference, we determined that it was appropriate to accept the Company's proposal. This action is reflected in Order No. PSC-92-1375-AS-TL, issued November 30, 1992.

DOCUMENT NUMBER-DATE

02408 MAR-4 93

FPSC-RECORDS/REPORTING

On November 19, 1992, St. Joe and OPC entered into and filed a joint Settlement Agreement (the Agreement) to resolve the remaining issues in this docket. At the December 15, 1992, Agenda Conference, we accepted the Agreement. This decision is reflected in Order No. PSC-92-1496-AS-TL, issued December 28, 1992, and amended on January 27, 1993. The 1992 amount and disposition of the interim refund, as well as the disposition of any residual refund amount, remain to be determined in this docket.

II. REFUND AMOUNT

By Order No. PSC-92-1375-AS-TL, issued November 23, 1992, we approved a proposal by St. Joe to make a refund for the interim period beginning January 7, 1992, and ending with the establishment of final rates, with refunds calculated based upon a surveillance report for the twelve-month period ending October 31, 1992.

On November 16, 1992, the Company filed the October 31, 1992, surveillance report to be used in the calculation of the interim refund. We have reviewed the report, and it agrees with St. Joe's calculations, except that we have included additional intrastate revenue of \$13,800, which the Company removed. This amount shall be included because associated costs are included in the calculation. This adjustment is consistent with our calculation of 1991 overearnings.

The amount of refund for the interim period beginning January 7, 1992, and ending with the establishment of final rates is \$55,824. Interest in the amount of \$1,434 shall also be accrued. The total amount available for disposition is found to be \$57,258.

III. DISPOSITION METHOD

As set forth above, St. Joe shall refund \$57,258, which includes \$1,434 of interest. St. Joe filed a corporate undertaking in the amount of \$700,000 to secure any refunds that might be ordered to be made for the period beginning January 7, 1992, and ending with the establishment of final rates.

The Agreement sets forth that whatever refunds are appropriate, if any, will be made as a credit to residential and business customers in the usual fashion. Such refunds will be made to customers of record in the month that the amount of refund is

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ascertained and will be reflected in such customers' bills in the next month thereafter, but in no event, no later than March, 1993. Accordingly, we find that the refund shall be made as a credit to residential and business customers in the same proportion as the various local exchange rates bear to each other. The credit shall appear on customers' March, 1993, bill and be to those customers of record during the January, 1993, billing cycle.

The Agreement addressed the disposition of any residual amount created by failure to have all reductions in place for the entire 1993 calendar year. The residual amount would be refunded to customers of record on December 31, 1993, as a credit on their February, 1994, bills. The only reduction remaining to be made is the expansion of calling scope for subscribers in the Blountstown and Wewahitchka exchanges. According to the Agreement, this plan is to be implemented by March 1, 1993. The lost revenue effect of this plan is \$56,000. No refund will be necessary if the plan is implemented on schedule. However, the extended area service will be monitored, and if necessary, a new docket will be opened to dispose of any residual amounts.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the amount of refund for the interim period beginning January 7, 1992, and ending with the establishment of final rates for St. Joseph Telephone and Telegraph Company is \$57,258, which includes interest in the amount of \$1,434. It is further

ORDERED that St. Joseph Telephone and Telegraph Company shall make its refund in the manner set forth herein. It is further

ORDERED that if no proper protest to our proposed action in Section II of this Order is filed within the time frame set forth below, this Order shall become final and this docket shall be closed.

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By ORDER of the Florida Public Service Commission this 4th day
of March, 1993.

(S E A L)
ABG

STEVE TRIBBLE, Director
Division of Records and Reporting

by: Kay Ferguson
Chief, Bureau of Records

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

As identified in the body of this order, our action in Section II is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on March 25, 1993. In the absence of such a petition, this order shall become effective on the date subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

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Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If the relevant portion of this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

Any party adversely affected by the Commission's final action in this matter may request: (1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.