

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for rulemaking ) DOCKET NO. 930505-TI  
by Donald L. Pevsner to abolish ) ORDER NO. PSC-93-1454-FOF-TI  
automatic rounding-off of ) ISSUED: 10/6/93  
additional long distance minutes )  
after the first minute. )  
\_\_\_\_\_ )

The following Commissioners participated in the disposition of this matter:

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

ORDER ON RECONSIDERATION GRANTING PETITION FOR RULEMAKING  
FILED BY DONALD L. PEVSNER, ESQUIRE

BY THE COMMISSION:

By petition, Donald L. Pevsner, asked the Commission to begin a proceeding to establish a new rule prohibiting regulated intrastate long-distance telephone service providers from rounding up long distance charges to the next-highest full minute. The petitioner claims that telephone companies presently have the technology to time all long-distance calls to the second at no incremental cost except for "the negative impact that such a development would have on the ill-gotten revenues currently being derived from the practice of 'rounding-off' all such calls to a higher minute, or fraction thereof."

The Commission voted to deny the Petition at the July 6, 1993 Agenda Conference, and Commission Order No. PSC-93-1112-FOF-TI was issued on July 30, 1993 to put that decision into effect. On the motion of Commissioner Lauredo, the Petition was reconsidered at the August 17, 1993 Agenda Conference. On reconsideration, the Commission voted to grant the petition so that staff could review the current rounding policy in the context of a rulemaking proceeding. However, the Commission did not take any position on the merits of the positions taken by the petitioner because those issues will be considered in the rulemaking proceeding.

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Based on the foregoing, it is

ORDERED that the Petition for Rulemaking by Donald L. Pevsner, Esq. to Abolish Automatic Rounding-Off of Additional Long Distance Minutes After the First Minute, is hereby granted.

ORDERED that Docket No. 930505-TL remain open as a rulemaking docket.

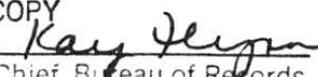
By ORDER of the Florida Public Service Commission, this 6th day of October, 1993.

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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

WEW

A TRUE COPY  
ATTEST   
Chief, Bureau of Records

Commissioner Clark dissents from the Commission's decision herein as follows:

I believe Mr. Pevsner's Petition should be denied because his request is not in the long-term best interests of the people of the State of Florida, and is not an intelligent use of the Commission's limited staff resources. It represents a reversal of the Commission's long-standing policy to let competition in the long distance market determine the quality and price of long distance service provided by IXCs. Furthermore, the revenue neutral approach agreed to by some parties to this proceeding would confer no benefits to local exchange customers.

When competition was first introduced into the long distance market in Florida, the Commission clearly embraced the philosophy that competition, not regulation, should dictate the price and quality of services provided by competitive carriers:

- B. Quality of Service: The approach outlined for rates will also apply to the quality of service offered by a reseller. The level of quality shall be stated in the tariff. While the reseller will be required to adhere to such level, we will not mandate the imposition of a particular quality level. Customers shall be informed of the service quality offered by a particular reseller and may choose the desired service level, accordingly.

Pp. 10-11, Order No. 11206, Sept. 29, 1982.

This philosophy has been consistently followed by the Commission since 1982. Whatever price or quality an IXC decided to provide, it was permitted to do so as long as it was consistent with the price and quality it told this Commission, and its customers, it would provide. Customer demand would "regulate" price and quality. If an IXC's service was unacceptable, the customer could change to an IXC whose service was acceptable. Likewise, if a customer was willing to accept a lower quality service in exchange for a lower price, he was free to do so. We currently have over 158 IXCs in Florida providing services which reflect a wide variety of quality and price levels. Some IXCs bill for incompleting calls. Other IXCs time a call from when the phone of the called party begins ringing. Still others begin timing a call only when the receiver is picked up.

By its decision in this case, the Commission has instructed its staff to conduct an investigation into whether it should dictate the quality of service provided by every IXC in this state. If the Commission does mandate this aspect of service quality, it is likely the number and variety of IXCs doing business in Florida will decline. The Commission will limit customer choice. If the Commission is not prepared to mandate a service quality standard which tells all IXCs how calls are to be timed, it should not embark on this investigation. To do so is simply a waste of time and resources.

Perhaps the Commission does not intend to mandate quality standards for IXCs, rather its intention is to mandate timing standards only for long distance service provided by local exchange companies, for which we do set service standards and price. Unless prices for other services, such as local service, are increased, the revenue derived from long distance service must remain the same. That is, as a group, long distance customers would continue

to pay the same amount of total revenues regardless of the basis on which the calls are billed. Indeed, this "revenue neutral" approach is the basis on which the investigation is supported by the Attorney General. The end result of a revenue neutral approach is that some calls will cost more under a more precise timing requirement, some will cost less, and we may have spent substantial sums of money to implement this precision with no real benefit flowing to Florida ratepayers.

In sum, I believe the rulemaking requested by Mr. Pevsner is not in the public interest.

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.

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 sewer 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 Civil Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.