BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request by Jane H. Adler for) cancellation of Pay Telephone Certi-) ficate No. 1633.)	DOCKET NO.	891340-TC
In re: Application of Adler Communi-) cations, Inc. for certificate to) provide pay telephone service.)	DOCKET NO. ORDER NO. ISSUED:	

AMENDATORY ORDER

By Order No. 22907, issued May 8, 1990, we proposed several actions, as well as entered a final order as to certain other matters. Shortly after issuance of this Order, it came to our attention that the Order contained several errors.

Corrected pages 4, 5, and 6 for Order No. 22907 are attached to this Order as Appendix A.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Order No. 22907 is amended as set forth in Appendix A. It is further

ORDERED that Order No. 22907 is affirmed in all other respects.

By ORDER of the Florida Public Service Commission, this 17th day of MAY _____, 1990 ___.

Director TR

Division of Record and Reporting

(SEAL)

ABG

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interexchange carrier. This limitation is consistent with our prior actions concerning pay telephones located in penal institutions.

IV. <u>DIVERSION OF 0+ LOCAL CALLS AND COLLECTION OF</u> SURCHARGES (Proposed Agency Action)

Adler stated that all 0+ local and intraLATA toll calls would be routed "utilizing LEC network facilities, with the LEC providing operator services for all 0+ intraLATA toll calls." Adler also stated that all 0+ local and interLATA toll calls would be "processed by the technology resident within the payphone, with 0+ local calls routed over LEC network facilities for completion, and all 0+ interLATA calls routed over IXC network facilities." Adler indicated that it would charge the inmates no more than the applicable LEC rate authorized by the Commission, if the Commission allows it to divert 0+ local calls from the LEC.

The technology which Adler proposes to implement is commonly called store and forward technology, sometimes referred to as "operator in a box." This would allow Adler to convert 0+ dialed end user calls within the payphone, so that the resulting call originates from the payphone on a direct dial basis (the end user dials 0 + NXX-XXXX and the phone sends out NXX-XXXX for a local call). Details sufficient to bill calls are retained by the originating telephone and then downloaded to a clearinghouse or billing and collection agency. In turn, the clearinghouse processes the charges through contracts with the LECs so the charge appears on the called party's local telephone bill.

In Order No. 19095, issued April 4, 1988, in Docket No. 871394-TP, we stated:

By Florida law, competition with the local exchange telephone company is illegal unless the Commission has determined that such competition is in the public interest. See Sections 364.335 and 364.337, Florida Statutes. In Orders Nos. 13932 [13912] and 14621 we clearly stated our intent that the local exchange company be the carrier of all one-plus and zero-plus intraLATA traffic. "Zero-plus" traffic means telephone calls in which the end user dials "0" plus seven or ten digits to ORDER NO. 22907-A DOCKETS NOS. 891340-TC & 891341-TC PAGE 3

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reach the desired party. Likewise, "one-plus" traffic means telephone calls in which the end user dials "1" plus seven or ten digits to reach the desired party. AOS providers typically route intraLATA zero-plus calls to their own operators in direct contravention of these orders. Therefore, AOS providers must comply with the Commission's zero-plus and one-plus intraLATA restriction requiring that all such <u>local</u>, intraEAEA and interEAEA calls should be routed to the local exchange company. ("EAEA" refers to the Florida-specific toll transmission areas created by this Commission. It stands for "equal access exchange area.")

Order No. 19095, at page 5 (emphasis added). By Order No. 20489, the final order in that docket, issued December 12, 1988, after the hearing, we held that "AOS providers shall route all zero plus (0+) intraLATA or intramarket calls to the LEC. There has been no new evidence presented to alter our previous rulings on this issue." Order No. 20489, at page 10 (emphasis added). Additionally, Order No. 20610, issued January 17, 1989, in Docket No. 860723-TP, reiterated this policy, as did Order No. 21614, issued July 27, 1989.

Accordingly, we propose denying Adler's request to handle 0+ local collect calls utilizing store and forward technology resident within the payphone. Pursuant to our existing Orders, such calls are reserved to the LECs. We note, however, that the question of diversion of 0+ local calls is an issue in the upcoming hearing scheduled for August, 1990, in Docket No. 860723-TP.

By Order No. 20610, a surcharge of up to \$1.00 was established to compensate nonLEC PATS providers for their inability to collect revenues on coinless calls. Further, Order No. 21614 required all LECS to bill, collect, and remit the surcharge for nonLEC PATS providers on 0- and 0+ intraLATA LEC-handled calls placed from nonLEC pay telephones.

By Order No. 22385, issued January 9, 1990, we approved a fixed surcharge amount of \$.75 per call to be billed by the LEC and paid to the nonLEC PATS provider. This amount was agreed upon by the LECs and by a majority of the members of the Florida Pay Telephone Association, Inc. as a compromise measure due to the LECs' inability to bill a flexible amount for the surcharge.

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In Section III above, we noted our concerns over rate levels where the billed party has no choice of IXC. For the same reasons, we also find it appropriate to deny Adler the up to \$1.00 PATS surcharge on 0+ local and toll intraLATA calls placed from its pay telephones in penal institutions. The propriety of surcharges on pay telephones located in penal institutions is also an issue in the upcoming hearing scheduled for August, 1990, in Docket No. 860723-TP.

Based on the foregoing, it is hereby

ORDERED by the Florida Public Service Commission that the petition of Jane H. Adler requesting cancellation of her certificate to provide Pay Telephone Service is approved. It is further

ORDERED that Jane H. Adler, if she has not already done so, is to return Certificate No. 1633 and remit any outstanding regulatory assessment fees to this Commission. It is further

ORDERED that Docket No. 891340-TC be and the same is hereby closed. It is further

ORDERED that the application of Adler Communications, Inc. for a certificate to provide pay telephone service is hereby granted. It is further

ORDERED that Adler Communications, Inc.'s request for waiver of Rule 25-24.515(3), (4), and (6), Florida Administrative Code, is hereby granted as set forth herein. It is further

ORDERED that Adler Communications, Inc. shall not charge more than the AT&T Communications of the Southern States, Inc. Direct Distance Dialing time-of-day rate, plus applicable operator charges, for interexchange calls, as set forth in the body of this Order. It is further

ORDERED that Adler Communications, Inc.'s proposal to handle automated 0+ local intraLATA collect calls is denied as set forth in the body of the Order. It is further