REMORANDUM

JULY 31, 1996



FPSC-RECORDS/REPORTING

TO:

DIVISION OF RECORDS AND REPORTING

FROM:

DIVISION OF LEGAL SERVICES (BILLMEIER) ZAR

RE:

DOCKET NO. 951354-TL - NOTICE OF ELECTION OF PRICE

REGULATION BY BELLSOUTH TELECOMMUNICATIONS, INC.

0981-PCD-TI

Attached is an ORDER MODIFYING PROCEDURE, to be issued in the above-referenced docket. (Number of pages in Order - 3)

LMB/anr Attachment

cc: Division of Communications

I: 1354M3.LMB

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MUST GO TODAY

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Notice of election of price regulation by BellSouth Telecommunications, Inc.

) DOCKET NO. 951354-TL) ORDER NO. PSC-96-0981-PCO-TL) ISSUED: July 31, 1996

ORDER MODIFYING PROCEDURE

On January 10, 1996, the Commission issued Order No. PSC-96-0036-POF-TL acknowledging BellSouth Telecommunications, Inc.'s (BellSouth) election of price regulation. The Order also required BellSouth to revise the rates in the Jensen Beach, West Palm Beach, and the Holley-Navarre exchanges to eliminate rate increases stemming from the rate regroupings that became effective subsequent to July 1, 1995. On January 31, 1996, BellSouth filed a protest to the portion of the Order that required it to eliminate rate increases and requested a hearing on the issue.

By Orders Nos. PSC-96-0664-PCO-TL and PSC-96-0795-PCO-TL, the procedural schedule in this docket was established. On May 28, .996, BellSouth prefiled the direct testimony of A.J. Varner in this docket pursuant to those Orders. No other parties filed testimony.

The parties and staff do not believe that an evidentiary proceeding is necessary. BellSouth proposes that selected portions of Mr. Varner's testimony be placed in the record to lay out the factual basis for this proceeding and that certain stipulations be adopted. BellSouth notes that some of Mr. Varner's testimony is BellSouth's legal position and need not be accepted as fact by the Commission. The Commission is free to draw its own legal conclusions. The parties have agreed to BellSouth's proposal and additional stipulations proposed by Sprint/United and Sprint/Centel.

Since the issues in this docket are purely legal, it is appropriate to modify the procedure for this docket. Accordingly, the parties shall file briefs of no more than 60 pages by September 11, 1996, and oral argument will be held at a future Agenda conference. The briefs and arguments shall address the following issues:

 Is reclassification of an exchange (rate regrouping) subsequent to election of price regulation by BellSouth, a price increase that is prohibited under Section 364.051, Florida Statutes?

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> 2. If rate regrouping by BellSouth is not allowed, does any resulting disparity in prices constitute undue discrimination in violation of Chapter 364, Florida Statutes?

Pursuant to Section 120.57(2), Florida Statutes, the record in this docket will consist of the prefiled testimony, the stipulations if approved by the Commission, and the briefs and arguments of the parties.

The prehearing conference currently set for August 1, 1996 and the hearing currently set for August 14, 1996 are cancelled.

It is therefore

ORDERED by Chairman Susan F. Clark, as Prehearing Officer, that the procedure for the hearing in this docket is modified as described in the body of this Order.

SUSAN F. CLARK, Chairman and

Prehearing Officer

(SEAL)

LMB

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

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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 this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code, if issued by a Prehearing Officer; (2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or (3) 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. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.