

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Comprehensive review of) DOCKET NO. 920260-TL
the revenue requirements and) ORDER NO. PSC-96-1058-FOF-TL
rate stabilization plan of) ISSUED: August 16, 1996
Southern Bell Telephone and)
Telegraph Company.)
_____)

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

ORDER SUSPENDING TARIFF

BY THE COMMISSION:

Order No. PSC-94-0172-FOF-TL, issued February 11, 1994, in this docket, approved a Stipulation and Implementation Agreement between BellSouth Telecommunications, Inc. (BST) and the parties to the proceedings. Among other things, the stipulation provided for various rate reductions to be implemented over a three year period. Some of the rate reductions were targeted at specific services and others specified only the dollar amounts, with proposals by interested parties to be submitted to dispose of the designated amounts for each year, 1994 through 1996. Under the revisions to Chapter 364, Florida Statutes, the Commission retains the jurisdiction to implement and enforce the terms and provisions of Order No. PSC-94-0172-FOF-TL. See Section 364.385(3), Florida Statutes.

The order required reductions to BST's switched access charges each year for three years beginning 1994 until the Company's intrastate switched access charges were at parity with the interstate rates in effect on January 11, 1994. This has required revenue reductions of the following amounts:

1994:	\$50 million
1995:	\$55 million
1996:	\$40 million

DOCUMENT NUMBER-DATE

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The required rate reductions are scheduled to go into effect each year on October 1. BST has already submitted its 1996 tariff filing to reduce switched access rates October 1st of this year. We have decided to suspend the tariff filing, and consider it at the same time that we consider BST's and other parties' proposals regarding the additional \$48 million in rate reductions scheduled to be implemented this year. We will then have the opportunity to review and analyze the proposed switched access rate reductions in view of the other proposals in this case. That phase of the docket is scheduled for hearing October 30-31, 1996.

The Stipulation approved in Order No. PSC-94-0172-FOF-TL requires that specific amounts be designated for rate reductions to switched access, and any final decision we make in the case must accomplish this. The question of which switched access rate elements to reduce, however, and whether and to what extent more reductions are appropriate, can better be addressed along with the proceeding to dispose of the \$48 million in rate reductions. For example, in its tariff the Company has proposed reductions to Local Switching and Carrier Common Line rates, but no reductions to Local Transport, or the Residual Interconnection Charge (RIC). It has proposed further reductions to certain switched access rate elements as part of the \$48 million proposal. We believe we will be better able to evaluate all proposals for the rate reductions if we consider them together in the scheduled hearings.

Although BellSouth has elected to be price-regulated, Section 364.385(3), Florida Statutes, the "savings clause", expressly states that Order No. PSC-94-0172-FOF-TL will remain in effect. Therefore, we have the authority to operate under the former version of Chapter 364, and to suspend the proposed tariff.

At our Agenda Conference July 30, 1996, the Florida Interexchange Carriers Association (FIXCA) urged us to allow the tariff to go into effect on October 1st. Our staff proposed that we suspend the tariff pending the hearing, but subject to refund of the amounts by which access charges would have been reduced if the tariff had become effective October 1st. We are concerned that if we allow the tariff to become effective October 1st we will lose our flexibility to review and modify those specific access charge rate element reductions after we have conducted the hearing scheduled in the case. Accordingly, we will suspend the tariff, but we direct our staff to conduct further discussion with the parties to determine whether the tariff can go into effect subject to our authority to modify it later, if we see fit.

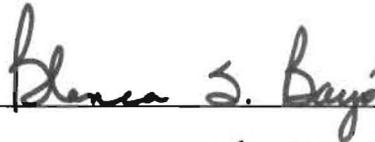
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Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that BellSouth's tariff reducing access charges by \$40 million effective October 1, 1996, is suspended, pending resolution and disposition of the remaining issues and requirements as contained in the Stipulation and Order No. PSC-94-0172-FOF-TL. It is further

ORDERED that this docket shall remain open.

By ORDER of the Florida Public Service Commission, this 16th day of August, 1996.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

MCB

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 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

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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.