

Commissioners: THOMAS M. BEARD, CHAIRMAN MICHAEL WILSON BETTY EASLEY J. TERRY DEASON **State of Florida**



STEVE TRIBBLE, Director Division of Records and Reporting (904) 488-8371

Public Service Commission

JULY 26, 1991

TO: All Interested Persons

FROM: Steve Tribble, Director of Records and Reporting

RE: Notice of Commission Conference

Attached is an excerpt of the Agenda for the Commission's regular conference, which is scheduled to begin at 9:30 a.m. on August 6, 1991 in Room 106 of the Fletcher Building, 101 East Gaines Street, Tallahassee. The attached excerpt summarizes the issues to be decided in a docket in which you have expressed an interest. As a party of record or interested person in this docket, you may wish to obtain a copy of the Commission staff's recommendation. To do so, call the Records Section of this office at (904) 488-8371.

Also, as a party of record or interested person, you may wish to attend the conference and address the Commission regarding the docket. If this is your intent, you will need to sign the appearance register, which is located on a table at the back of the hearing room near the double doors. (If you fail to sign the register, you may miss the opportunity to speak before the <u>Commissioners vote on the docket.</u>) The Chairman will then announce each item as it is taken up and ask for your comments at the appropriate time. Any comments you wish to make should be limited to approximately five minutes.

If you have any questions regarding this information, please feel free to call me.

ST:ds Attachment



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FLORIDA PUBLIC SERVICE COMMISSION Fletcher Building 101 East Gaines Street Tallahassee, Florida 32399

MEMORANDUM

July 25, 1991

TO : DIVISION OF RECORDS AND REPORTING

- FROM : DIVISION OF COMMUNICATIONS (AUSTIN) DIVISION OF LEGAL SERVICES (GREEN)
- RE : DOCKET NO. 910739-TC REQUEST FOR WAIVER OF RULE 25-24.515(3), (4), AND (6), F.A.C. FOR PURPOSES OF PROVIDING PAY TELEPHONE SERVICE IN PENAL INSTITUTIONS BY NORTH AMERICAN INTELECOM, INC.
- AGENDA : PLACE ON AUGUST 6, 1991 CONTROVERSIAL PARTIES MAY PARTICIPATE - PROPOSED AGENCY ACTION
- PANEL : FULL COMMISSION

CASE BACKGROUND

On February 14, 1991 Commission Order 24101 was issued, following the decisions rendered in Docket No. 860723-TP - Pay Telephone Docket. One of the issues addressed in this docket concerned the appropriate operational and rate restrictions to apply in confinement facilities. The Commission determined the following restrictions as appropriate:

- A. NPATS providers may deny access to 911 and 411 calls.
- B. NPATS providers may deny access to all locally available interexchange carriers.
- C. A limited time duration of fifteen (15) minutes may be placed on all calls. However, notice of disconnect must be made prior to termination of call.
- D. NPATS providers who wish to utilize the debit card phone in confinement facilities may charge no more than \$1.00 for local calls.
- E. NPATS may charge no more than the appropriate AT&T timeof-day rates, plus operator charges.

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However, in order to authorize the above restrictions on an industry-wide basis, rule amendments would be necessary. Until such rule amendments are complete, prison waivers will continue to be handled on a case-by-case basis.

ISSUE 1: Should the Commission approve the request for waivers of Rule 25-24.515 (3), (4), and (6) Florida Administrative Code filed on behalf of North American InteleCom, Inc. which require access to 911 or LEC toll operator, directory assistance, and all locally available interexchange companies?

<u>RECOMMENDATION</u>: Yes, staff recommends that the Commission approve the request for waivers of Rule 25-24.515(3), (4), and (6), F.A.C., subject to the limitation defined in Issue 2.

STAFF ANALYSIS: North American InteleCom (NAI) has informed staff that currently the restrictions imposed by the company providing pay telephone service to the inmates are that all calls are operator assisted.

In the petition filed by NAI on July 1, 1991, 911 (Attachment I), local directory assistance, no credit card or coin calls, and denial of access to all locally available interexchange companies were the proposed restrictions on its pay phones. NAI also indicated that the inmates will be dialing 0+NXX+XXXX local calls and 0+NPA+NXX+XXXX for long distance calls. The long distance service will be provided by NAI and MCI. NAI will handle the automated collect only service when requested by the prison administrators (Attachment II).

In order for NAI to provide this type of restricted phone service, a waiver of Commission Rule 25-24.515(3), (4), and (6) is necessary. These three subsections are as follows:

25-24.515 Pay Telephone Service

(3) Each telephone station shall permit access to the universal telephone number "911", where operable, without requiring the use of a coin, paper money or a credit card. Where such number is not operable, the stations shall permit access to a local exchange company toll operator under the same conditions. •



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- (4) Each telephone station shall, without charge, permit access to local directory assistance and the telephone number of any person responsible for repairs or refunds but may provide access by coin return. Any long distance directory assistance charges applied to the pay telephone service company may be passed on to the customer.
- (6) Each telephone station which provides access to any interexchange company must provide access to all locally available interexchange companies.

A waiver of subsections 3, 4, and 6 of Rule 25-24.515 is necessary in order to provide the type of restricted telephone service outlined above. Such restrictions are desirable because of problems with harassing calls and fraudulent use of telephone services common to prison pay telephone stations. Such fraud is ultimately borne by the general public through higher telephone charges.

Therefore, based on the information presented, staff believes that in order to implement a service which minimizes the risk of abuse and fraud from the prison population, the Commission should approve the required waiver of Rule 25-24.515(3), (4), and (6).

ISSUE 2: Provided that Issue 1 is approved, should there be any limitations to this waiver?

<u>RECOMMENDATION</u>: Yes, if approved, staff believes this waiver should apply only to those stations placed in penal institutions for the express use by inmates. Additionally, since the inmates are restricted to one carrier, staff recommends that NAI should not be allowed to charge or allow the IXC serving its PATS instruments in prisons to charge over the ATT-C DDD time-of-day rates plus operator charges for interLATA calls.

STAFF ANALYSIS: Since a pay telephone certificate gives the holder statewide authority to place phones virtually anywhere, this waiver, if approved, should only apply to pay phones located in penal institutions.

Additionally, because the inmates will be unable to access other interexchange carriers of choice, by use of access codes or otherwise, staff believes that NAI should not be allowed to charge up to one dollar (\$1.00) over the ATT-C daytime rate plus operator



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charges. Staff recommends that NAI be allowed to charge no more than the ATT-C DDD time-of-day rates plus operator charges for interLATA calls. Staff believes that inmates and their relatives should have this additional protection because access to other carriers is limited. These limitations are consistent with past Commission actions concerning pay telephones located in prisons. NAI has agreed to not charge or allow the IXC serving its PATS instruments in prisons to charge over the ATT-C DDD time-of-day rates.

<u>ISSUE 3</u>: Should the Commission approve the request filed by NAI to block 0- calls from its pay phones located in confinement facilities?

<u>RECOMMENDATION</u>: Yes, staff recommends that the Commission approve the request filed by NAI to block 0- calls from its pay phones located in confinement facilities.

STAFF ANALYSIS: Commission Order 23506 was issued on September 19, 1990, as a result of Docket No. 900286-TC - Application for a Certificate to Provide Pay Telephone Service and Waiver of Rule 25-24.515 (3), (4), and (6) filed by Altus Technologies, Inc. (Altus). Order 23506 approved the request filed by Altus to block 0- calls from its pay phones located in confinement facilities.

NAI is currently responding to a request for proposal (RFP) from the Department of Corrections. The institutions are requesting that 0- calls not be allowed from the pay phones located in the confinement facilities. In previous rule waivers, the Commission has given the prison administrators some latitude in defining the type of telecommunications service that was appropriate for their facilities, given the unique conditions that surround the confinement facility environment.

Based upon the previous action taken regarding Altus Technologies' request to block 0- calls, staff recommends that the Commission approve the request filed by NAI to block 0- calls.

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ISSUE 4: Should this docket be closed after the protest period has passed, provided there are no objections to the proposed agency action order?

<u>RECOMMENDATION</u>: Yes, this docket should be closed after the effective date of the proposed agency action (PAA) order provided there are no objections to the proposed agency action.

STAFF ANALYSIS: This docket should be closed by the order gran ing a waiver of Rule 25-24.515(3), (4), and (6), F.A.C. to North American InteleCom, Inc.