

State of Florida



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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RECORDS AND REPORTING
103 CB for CLK

DATE: JULY 15, 1999

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF LEGAL SERVICES (FORDHAM)
DIVISION OF COMMUNICATIONS (BIEGALSKI)

RE: DOCKET NO. 990798-TC - INITIATION OF SHOW CAUSE PROCEEDINGS AGAINST BELL SOUTH PUBLIC COMMUNICATIONS, INC. FOR VIOLATION OF RULE 25-24.515, FLORIDA ADMINISTRATIVE CODE, PAY TELEPHONE SERVICE

AGENDA: 07/27/99 - REGULAR AGENDA - SHOW CAUSE - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMU\WP\990798.RCM

CASE BACKGROUND

- February 1, 1999 - BellSouth Public Communications, Inc.'s (BPC) 1998 regulatory assessment fee return reported gross intrastate revenues of \$41,245,100 and 38,979 pay telephones in operation.
- February 16, 1999 - February 26, 1999 - Staff performed routine service evaluations on 50 pay telephones operated by BPC and found apparent violations as presented in Attachment A.
- February 25, 1999 and March 4, 1999 - Staff received Service Violation Correction Forms from BPC signifying that all apparent violations were corrected.
- April 14, 1999 - April 22, 1999- Staff reevaluated the pay telephone stations and again found the apparent violations as presented in Attachment A.

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08430 JUL 15 99
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- June 21, 1999 - Staff opened this docket to investigate whether BPC should be required to show cause why it should not be fined or have its certificate canceled.
- July 15, 1999 - BPC submitted an offer to settle this case. (Attachment B, Page 8)

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission accept the settlement offer proposed by BellSouth Public Communications, Inc. to resolve the apparent violations of Rule 25-24.515, Florida Administrative Code, Pay Telephone Service?

RECOMMENDATION: Yes. The Commission should accept the company's settlement proposal. Any contribution should be received by the Commission within ten business days from the issuance date of the Commission Order and should identify the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. (Biegalski)

STAFF ANALYSIS: Staff performed a service evaluation on pay telephone stations operated by BPC on February 16, 1999 through February 26, 1999. Through written correspondence, staff notified Tel Call of the apparent violations. Upon receipt of the notification of the apparent violations, BPC contacted staff to discuss its concerns. Staff discussed with BPC that it was not apparent who the customer should contact if they experienced problems with the pay telephone.

After BPC responded to the initial evaluation and spoke to staff about the specific apparent violations, staff performed a reevaluation of the same pay telephone stations on April 14, 1999 through April 22, 1999. The table provided as Attachment A (pages 5-7) depicts the apparent rule violations identified in the initial investigation that were still present in the reevaluation.

Based on the showings of the reevaluations that the pay telephone stations exhibited the same apparent violations, staff opened this docket to investigate whether BellSouth should be required to show cause why it should not be fined or have its certificate canceled, pursuant to Section 364.285, Florida Statutes.

On July 14, 1999, BPC contacted staff to discuss the method for settlement of this case. On July 15, 1999, BPC submitted its

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offer to settle provided as Attachment B, (Page 8). In its settlement offer, BPC agreed to do the following:

- BPC will voluntarily pay \$7,200 to the General Revenue Fund.
- BPC will conduct a thorough inspection of all its pay telephones to ensure compliance with Commission rules.
- BPC will ensure problems are clearly understood and fixed before reporting to the Commission that they are fixed.
- BPC will replace the place cards on all pay telephone stations in Florida within 6 months from the date the order becomes final.

Staff supports BPC's offer to conduct a thorough inspection of all its pay telephones to ensure compliance with Commission rules. By initiating this action BPC has created a proactive approach to compliance rather than a reactive response to staff's inquiries. In addition, staff believes that the company's clear understanding of the violations will prevent it from inadvertently responding that a violation has been corrected. In addition, staff supports BPC's proposal to replace the place cards on all pay telephone stations in Florida. Staff believes this will ensure the customer is informed of who to contact in the event they encounter a problem with the pay telephone.

Moreover, the company has been forthright in its assertion that the cited violations were valid and has been very cooperative in resolving all issues. Any contribution should be received by the Commission within ten business days from the issuance date of the Commission Order and should identify the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. Staff believes the terms of the settlement agreement as summarized in this recommendation are fair and reasonable, and we support the voluntary contribution to the General Revenue Fund.

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ISSUE 2: Should this docket be closed?

RECOMMENDATION: No. With the approval of Issue 1, this docket should remain open pending the remittance of the \$7,200 voluntary contribution. Upon remittance of the settlement payment, this docket should be closed. If the company fails to pay in accordance with the terms of the settlement offer, the monetary settlement will be forwarded to the Comptroller's office for collection, and this docket will be closed. (Fordham)

STAFF ANALYSIS: This docket should remain open pending the remittance of the \$7,200 voluntary contribution. Upon remittance of the settlement payment, this docket should be closed. If the company fails to pay in accordance with the terms of its settlement offer, the monetary settlement will be forwarded to the Comptroller's office for collection, and this docket closed.

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ATTACHMENT A

Pay Telephone Station Number	25-24.515(9) (a)		25-24.515(3)	25-24.515(18) (a-e)
	Location Address Not Displayed	Name and Address For Repairs/Refunds Not Displayed	Coin Return Not Working Properly	ANSI standards
305-871-8922	X			
305-823-9845	X			
305-823-9839	X			
305-820-8379	X			
305-556-2407	X			
904-387-9942			X	
407-354-4969		X		
407-354-4970		X		
407-903-0147		X		
407-903-0148		X		
407-903-0196		X		
407-248-8013		X		
407-351-9785		X	X	
407-351-9739		X		
407-282-9820		X		
407-380-9221		X		
407-351-9103		X		
407-345-0609		X		
407-345-0667		X		
407-351-9227		X		
407-351-9308		X		
407-351-9205		X		
407-351-9225		X		
407-351-9788		X		
407-351-9618		X		
407-345-9145		X		
407-351-7811		X		
407-351-7803		X		

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Pay Telephone Station Number	25-24.515(9) (a)		25-24.515(3)	25-24.515(18) (a-e)
	Location Address Not Displayed	Name and Address for Repairs/Refunds Not Displayed	Coin Return Not Working Properly	ANSI Standards
407-351-9106		X		
407-351-9220		X		
407-351-7800		X		
407-351-9664		X		
407-351-9692		X		
407-351-9817		X		
407-351-9847		X		
407-351-9653		X		
407-351-9826		X		
407-363-9835		X		
407-363-9816		X		
407-363-9821		X		
407-351-9801		X		
404-351-9821		X	X	
407-345-9187		X		
407-345-9991		X		
407-345-9188		X		
407-352-9754		X		
407-352-9765		X		
407-248-8042		X		
407-345-8796		X	X	
407-345-8786		X		
407-248-8326		X		
407-248-8998		X		
407-351-9630		X		
407-363-0864		X		
407-352-9663		X		
407-351-9533		X		
407-351-9620		X		
407-363-3987		X		

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ATTACHMENT A

Pay Telephone Station Number	25-24.515(9) (a)		25-24.515(3)	25-24.515(18) (a-e)
	Location Address Not Displayed	Name and Address for Repairs/Refunds Not Displayed	Coin Return Not Working Properly	ANSI Standards
407-351-9589		X		
407-370-9038		X		
407-351-8923		X		
407-248-8046		X		
305-871-8919	X			
305-871-6409	X			
305-871-6414	X			
305-871-6396	X			
305-871-9785	X			
305-871-8920	X			
305-871-9827	X			

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ATTACHMENT B



BellSouth Telecommunications, Inc. 850 222-1201
400 Fax 850 222-8640
150 South Monroe Street
Tallahassee, Florida 32301

Nancy H. Sims
Director - Regulatory Relations

July 15, 1999

Kelly Biegalski
Florida Public Service Commission
2540 Shumard Oak Boulevard
Gerald L. Gunter Building, Room 270
Tallahassee, Florida 32399-0850

Subject: Docket no. 990798-TC Initiation of Show Cause - BellSouth Public Communications

Dear Kelly,

As discussed with you today, BellSouth Public Communications is agreeing to settle the proposed show cause issue with the Florida Public Service Commission Staff. The agreement includes payment of the fine of \$7200.00 and a commitment to bring all the payphones into compliance with the Commission's payphone rules. Also, BellSouth Public Communications agrees that in the future, upon first notification of a possible violation, if there is a question concerning the violation, BellSouth Public will call for clarification before responding.

In order to bring the payphones into compliance, BellSouth Public will revise the information posted on each phone. We plan on completing the conversions within 6 months from the date the order in this docket becomes final.

The payphones cited for "location address not displayed" and for "coin return not working properly" have been reported repaired, but they will be rechecked for compliance.

If you have any questions or need any further information, please give me a call.

Yours truly,

A handwritten signature in cursive script that reads "Nancy H. Sims".

Director Regulatory

Copy to: David Cockcroft
Nancy White
Gail Barber
Bob Burnett