

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of PHONE CONTROL	)	DOCKET NO. 890489-TC
SECURITY, INC. for certificate to	)	ORDER NO. 21525
provide pay telephone service	)	ISSUED: 7-10-89
	)	

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman  
 THOMAS M. BEARD  
 BETTY EASLEY  
 GERALD L. GUNTER  
 JOHN T. HERNDON

ORDER APPROVING PATS CERTIFICATE  
NOTICE OF PROPOSED AGENCY ACTION

## BY THE COMMISSION:

Notice is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for formal proceeding pursuant to Rule 25-22.029, Florida Administrative Code.

On April 5, 1989, Phone Control Security, Inc. (PCSI) submitted a pay telephone application pursuant to Section 364.335, Florida Statutes, along with a letter explaining that it intended to place pay stations in penal institutions. PCSI's plans to install phones which use optically coded debit cash cards instead of coins. The inmates will typically purchase the cash cards from the canteens located in the prisons. PCSI will furnish a supply of "free" cash cards so that indigent inmates will be provided with phone service at the institution's discretion.

The inmates will place their phone call by inserting their card in the phone and dialing 1-NPA-NXX-XXXX. No collect calls will be allowed. The prisoner will pay for any and all calls he or she makes.

Under the PCSI Plan, inmates will receive call pricing discounts in exchange for accepting responsibility for the

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calls he or she places. In the particular institutions PCSI plans to serve, its rates would provide the inmates with a 20% discount on local calls and a 10% discount on intrastate toll calls. The institutions will receive a commission on the monthly revenues which will be deposited in the Inmate Welfare Trust Fund. This fund is used to provide programs and services designed to directly benefit the inmate population.

PCSI also stated it intended to charge one dollar (\$1.00) for a local call. PCSI pointed out that this would represent a 20% savings over the present rates charged to the inmates. The inmates are currently limited to operator - assisted local calls which cost \$1.25 for each call.

In addition, State and county correctional facilities require the imposition of certain restrictions on the type of phone service which can be provided. Accordingly, PCSI has asked that it be allowed to impose the following restrictions:

1. keypad disabled after 11 digits dialed
2. all 0+ and 0- calls will be denied
3. all N11 (i.e. 911 and 411) calls denied
4. all local and long distance NPA-555 calls will be denied
5. Feature group B (950) and Feature group D (10XXX) calls will be denied. PCSI intends to use AT&T or MCI as the presubscribed carrier.
6. all N00 (i.e. 800) calls will be denied
7. all 01 (international) calls will be denied
8. all Mexico (i.e. 905 and 706) calls will be denied
9. all 976 calls will be denied
10. all incoming calls will be denied
11. all calls will be of limited duration as determined by the individual Florida state and county correctional facilities.

In order for PCSI to provide this type of restricted phone service, a waiver of Rule 25-24.515 (3), (4) and (6), Florida Administrative Code, would be necessary.

By Order No. 21221, issued May 11, 1989, we granted SouthernNet Services, Inc. a waiver of Rule 25-24.515(6) which states that each pay station providing access to any

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interexchange carrier must allow access to all locally available interexchange companies to allow SouthernNet to comply with the requirements placed on such service by the Florida Department of Corrections. The waiver was limited to those SouthernNet pay phones in penal institutions.

In reviewing the application of PCSI, we find that it contains the information required for certification as set forth in Order No. 14132 and the Rules cited above. Based on the foregoing, we propose to grant a certificate to provide toll and local public pay telephone service consistent with the conditions and requirements set forth in Rules 25-24.505 through 25-24.520, Florida Administrative Code.

With respect to PCSI's request to waive portions of Rule 25-24.515, it appears that most pay phones in penal institutions are provided by the local exchange company. These phones allow operator assisted, collect station to station, or person to person calls only. Some institutions are furnished with conventional pay phone service; however, this type of service has led to problems with fraud and harassment. To combat these problems, entities such as the Department of Corrections have been actively seeking companies to provide the penal institutions with restricted phone service.

Upon consideration, we find that PCSI's rule waiver request should be granted. However, consistent with our prior decision in Order No. 21221, discussed above, this waiver shall apply only to payphones located in penal institutions and shall include only those restrictions set forth above. Any other pay stations that PCSI may install shall be subject to all the rules applying to pay telephone service as stated in Chapter 25-24, Florida Administrative Code.

Since PCSI plans to deny all 0+ and 0- calls and since local calls will not need operator assistance, there is no justification which would warrant PCSI being allowed to charge over twenty-five (25) cents for a local call. Further, since calls from PCSI's inmate phones are limited to prepaid debit card calls the present local call rate cap of 25 cents, in accordance with Order No. 14132, is appropriate because no operator assistance is involved. In addition, because the inmates will be restricted to one carrier, PCSI shall not charge over the ATT-C DDD time-of-day rates plus operator charges for interexchange calls.

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In consideration, of the foregoing, it is

ORDERED by the Florida Public Service Commission that Phone Control Security, Inc. is hereby granted a certificate to provide pay telephone service (PATS), both toll and local subject to all regulations concerning such service except as otherwise provided herein. It is further


ORDERED that PCSI's request to waive Rule 25-24.515(3), (4), and (6), Florida Administrative Code is granted as set forth in the body of this Order. It is further

ORDERED that PCSI shall not be allowed to charge over the AT&T Communications of the Southern States, Inc.'s, Direct Distance Dialing time-of-day rates plus operator charges for interexchange calls as set forth in the body of this Order. It is further

ORDERED that PCSI is not allowed to charge over 25¢ for each local call that is not operator-assisted. It is further

ORDERED that this docket will be closed following expiration of the period specified in this Order unless an appropriate petition for hearing, protesting a specified application, is filed by one whose substantial interests may or will be affected by this proposed agency action, as provided by Florida Administrative Code Rules 25-22.029 and 25-22.036 (7)(a).

By ORDER of the Florida Public Service Commission,  
this 10th day of JULY, 1989.

  
STEVE TRIBBLE, Director  
Division of Records and Reporting

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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.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on July 31, 1989. In the absence of such a petition, this order shall become effective August 1, 1989, as provided by Rule 25-22.029(6), Florida Administrative Code, and as reflected in a subsequent order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on August 1, 1989, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.