

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petitions to reject or to)	DOCKET NO. 900797-TP
suspend and investigate proposed)	
revisions to compensation rates in the)	ORDER NO. 24307
Access Service Tariff)	
<hr/>		ISSUED: 4/1/91

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
 J. TERRY DEASON
 GERALD L. GUNTER
 MICHAEL MCK. WILSON

NOTICE OF PROPOSED AGENCY ACTION
ORDER LIMITING AND PHASING-OUT INTRA-EAEA COMPENSATION

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 adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

In Docket No. 870984, Southern Bell Telephone and Telegraph Company requested that this Commission compel compliance by interexchange carriers (IXCs) with Rule 25-24.480(3), Florida Administrative Code, which required IXCs to report monthly intra-EAEA minutes of use carried over IXC facilities. By Order No. 20484, issued December 20, 1988, we set forth a method to calculate and apply compensation until we made a ruling on whether use of access facilities for IXC intra-EAEA traffic constituted allowable competition. Thus, compensation has applied to resold access since that time. The subject of compensation requirements was addressed in Docket No. 880812-TP, the toll monopoly area (TMA) docket. By Order No. 23540, issued October 1, 1990, we decided to retain TMAs until December 31, 1991. In doing so, we also found that the resale of access could continue during the interim, but it would continue to be subject to intra-EAEA compensation requirements.

On October 1, 1990, MCI Telecommunications Corporation (MCI) filed a Petition to reject, or to suspend and investigate Southern Bell Telephone and Telegraph Company's (Southern Bell) proposed revisions to its Access Service Tariff to increase compensation rates. MCI argued that the rate is calculated improperly because

DOCUMENT NUMBER-DATE

03115 APR -1 1991

PSC-RECORDS/REPORTING

ORDER NO. 24307
DOCKET NO. 900797-TP
PAGE 2

it is calculated based on basic MTS service without including the effect of discount plans. On October 3, 1990, the Florida Interexchange Carriers Association (FIXCA) filed a similar petition. FIXCA requested that compensation rate increases be stayed until the reconsideration of Order No. 23540 was complete. Alternatively, FIXCA requested that its petition be treated as a complaint to reduce the unreasonably high compensation rates proposed by Southern Bell, and that any increases be collected subject to refund.

At the March 5, 1991 Agenda Conference this Commission addressed the Reconsideration of Order No. 23540. At that time, we affirmed our decision to continue compensation requirements on the resale of access until December 31, 1991. However, upon further consideration, due to the relatively frequent changes in access and MTS rates and the subsequent shift in the compensation rates for each LEC, as well as the demise of TMAs on December 31, 1991, we believe that it is appropriate to implement a cap and phase-out for intraEAEA compensation rates at this time. Therefore, we shall establish a cap of \$.035 per minute for all LECs, effective immediately. Any LEC whose compensation rate that is currently in excess of \$.035 shall be lowered to \$.035, effective March 5, 1991. In addition, the rate shall be lowered to \$.025 on April 1, 1991; to \$.015 on August 1, 1991; and to zero on January 1, 1992. Any LEC's compensation rate that is less than \$.035 on March 5, 1991, shall be frozen at its current level until April 1, 1991. On April 1, 1991, and on each subsequent phase-out date, all LECs shall reduce their respective compensation rates to the level set forth herein.

By the action set forth in this Order, we also dispose of the Petitions of MCI and FIXCA and all issues raised in those petitions shall be considered resolved.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that a cap of \$.035 shall be put on intraEAEA compensation rates, effective March 5, 1991. It is further

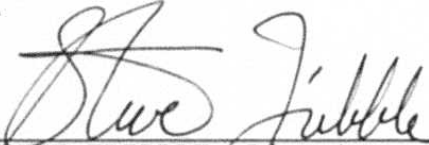
ORDERED that the phase-out schedule as set forth in the body of this Order shall become effective April 1, 1991. It is further

ORDER NO. 24307
DOCKET NO. 900797-TP
PAGE 3

ORDERED that if the action proposed by this Order is protested by a substantially affected person, revenues collected from the applicable compensation rates greater than set forth in the body of this Order shall be held subject to refund pending the resolution of the protest. It is further

ORDERED that this docket shall be closed if no protest is filed in accordance with the requirement set forth below.

By ORDER of the Florida Public Service Commission, this 1st
day of APRIL, 1991.



STEVE TRIBBLE Director
Division of Records and Reporting

(S E A L)

PAK

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

ORDER NO. 24307
DOCKET NO. 900797-TP
PAGE 4

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 April 21, 1991.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

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 the date described above, 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.