

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval of) DOCKET NO. 940291-TI
tariff filing to introduce a) ORDER NO. PSC-94-0685-FOF-TI
separate rate schedule and) ISSUED: June 6, 1994
change initial minute to initial)
three-minute period for operator)
station sent paid coin calls by)
AT&T COMMUNICATIONS OF THE)
SOUTHERN STATES, INC. (T-94-153)
FILED 3/18/94))
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
SUSAN F. CLARK
JULIA L. JOHNSON
DIANE K. KIESLING
LUIS J. LAUREDO

ORDER APPROVING TARIFF

BY THE COMMISSION:

On March 18, 1994, AT&T Communications of the Southern States, Inc. (ATT-C) filed a tariff proposing to add a separate rate structure for Operator Station Sent Paid Coin calls and change the initial minute to an initial period of three minutes. Operator Station Sent Paid Coin calls occur when calls placed from a payphone are completed with the assistance of an operator and paid for by the caller by depositing coins at that time. Currently, when the caller initiates the call, the operator asks the caller to deposit change to cover the operator charges plus the initial minute. Calls are billed in 1 minute intervals. However, rather than breaking in every minute, the operator waits approximately 3 minutes before breaking in and informing the caller of the additional charges. The delay time occurs due to ATT-C's intent to hold interruptions to a reasonable number, rather than once a minute.

The problem prompting this filing is that ATT-C has had a large number of "walkaways." These are persons who, when the operator breaks in, simply hang up and walk away from the phone without paying the additional charges.

DOCUMENT IDENTIFICATION

05497 JUN-6 1994

FPSC-REGISTRATION REPORTING

The instant tariff proposes to set up a separate rate schedule for coin sent paid calls with an initial three minute billing period. The separate schedule is needed to distinguish the three minute period from the one minute period used for other types of calls. The initial rate is composed of the current initial minute charge plus twice the current additional minute charge.

The Company estimates that it loses approximately \$1,170,000, annually from walkaways. This is based on ATT-C's estimated annual loss from walkaways of \$780,000 plus the \$390,000 in lost revenues due to the payment of access charges for walkaway calls. The estimated return in revenues from implementation of the initial three minute billing period is \$1,090,000.

It appears from the financial impact information that the impetus of this tariff filing is not to increase revenues but to curb losses due to fraud. In view of the substantial annoyance to the end user that would result if the operator interrupted more frequently, it would be unreasonable to require such. Moreover, the three minute initial calling period has historically been the norm for long distance coin paid calls. This is reflected in ATT-C's practice of having the operator break in after approximately 3 minutes. In addition, some non-LEC pay telephone providers in Florida offer plans where the end user can place a 3 minute call anywhere in the continental United States for \$.75. Although it might appear that this is in violation of Commission Rule 25-24.630(2)(c), which limits the billing of calls by operator service providers to one minute increments, the three minute minimum is for coin-in-the-box calls only, and the customer knows before he makes the call what he is paying for. Additionally, this is the standard practice for the payphone industry.

Upon consideration of the foregoing, we find that the tariff should be approved. However, as a condition of approval of the tariff, we also find it appropriate that, at the time the operator requests payment, ATT-C informs the caller that he is being charged for the initial three minutes.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that AT&T Communications of the Southern States, Inc.'s tariff proposing to add a separate rate structure for Operator Station Sent Paid Coin calls to change the initial minute to an initial period of three minutes is approved as set forth in the body of this Order. It is further

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Ordered that this tariff should become effective May 3, 1994.
It is further

ORDERED that if a timely protest is filed to this tariff pursuant to the requirements set forth below, this tariff shall remain in effect with any revenues held subject to refund pending resolution of the protest. It is further

ORDERED that if no timely protest is filed, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 6th day of June, 1994.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

by: Kay J. J. J.
Chief, Bureau of Records

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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 Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the action proposed files a petition for a formal proceeding, as provided by Rule 25-22.036(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a)(d) and (e), 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 June 27, 1994.

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In the absence of such a petition, this order shall become final on the day subsequent to the above date.

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 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 wastewater 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 date this Order becomes final, 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.