

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Comprehensive review of ) DOCKET NO. 920260-TL  
the revenue requirements and ) ORDER NO. PSC-96-1244-FOF-TL  
rate stabilization plan of ) ISSUED: October 7, 1996  
Southern Bell Telephone and )  
Telegraph Company. )  
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The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman  
J. TERRY DEASON  
JOE GARCIA  
DIANE K. KIESLING

ORDER APPROVING SWITCHED ACCESS RATE REDUCTIONS  
ON AN INTERIM BASIS

BY THE COMMISSION:

CASE BACKGROUND

By Order No. PSC-94-0172-FOF-TL, issued February 11, 1994 in this docket, the Commission approved a Stipulation and Implementation Agreement between BellSouth Telecommunications, Inc., (BST) and the parties to the proceedings. Among other things, the stipulation provided for various rate reductions to be implemented over a three year period. Some of the rate reductions were targeted at specific services and others specified only the dollar amounts, with proposals by interested parties to be submitted to dispose of the designated amounts for each year, 1994 through 1996. Under the revisions to Chapter 364, F.S., the Commission retains the jurisdiction to implement and enforce the terms and provisions of Order No. PSC-94-0172-FOF-TL. (Section 364.385(3), F.S.)

The order required reductions to BST's switched access charges each year for three years beginning 1994 until the Company's intrastate switched access charges were at parity with the interstate rates in effect on January 11, 1994. This has required revenue reductions of the following amounts:

1994:	\$50 million
1995:	\$55 million
1996:	\$40 million

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

The required rate reductions are scheduled to go into effect each year on October 1. BST submitted its 1996 filing to reduce switched access rates which was suspended by Order No. PSC-96-1058-FOF-TL issued August 16, 1996.

We voted to suspend BST's tariff filing reducing its switched access rates by \$40 million to allow consideration of the switched access reductions in the context of the total reductions scheduled to be made this year. The Florida Interexchange Carriers Association (FIXCA) requested that the tariff not be suspended so that IXCs could receive the immediate benefit of the rate reductions rather than wait until after the Commission's final decision, due to be made in December. We voted to suspend the tariff because of the concern that if we approved the tariff, even on an interim basis, our flexibility to review and modify the switched access reductions following the hearings would be limited. Commission staff and the parties were encouraged to meet to determine whether the tariff could go into effect subject to later modification, if we deemed it appropriate.

The parties (FIXCA, BST, and OPC) have since agreed that the Commission has the authority to modify the switched access rates when it makes its final decision after the hearings in October. The parties have also agreed that any changes to the switched access rates may be made on a going forward basis. Thus, no refunds or credit mechanisms will be necessary. With this understanding, we find that the BST's tariff reducing its Carrier Common Line switched access rates by \$40 million shall be approved on an interim basis, effective October 1, 1996.

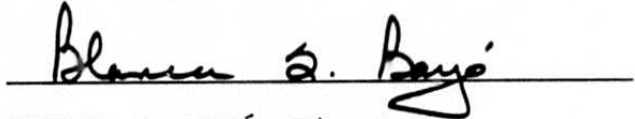
Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that BellSouth Telecommunications, Inc.'s tariff reducing its Carrier Common Line switched access rates by \$40 million shall be approved on an interim basis, effective October 1, 1996, and shall remain in effect until the Commission's final decision in this proceeding. Any changes to the switched access rates shall be made on a going forward basis. No refunds or credit mechanisms will be necessary. It is further

ORDERED that this docket shall remain open pending resolution and disposition of the remaining issues and requirements as contained in the Stipulation and Order No. PSC-94-0172-FOF-TL.

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By ORDER of the Florida Public Service Commission, this 7th  
day of October, 1996.



BLANCA S. BAYÓ, Director  
Division of Records and Reporting

( S E A L )

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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.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code, if issued by a Prehearing Officer; (2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or (3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.