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ORIGINAL
FILE COPY

April 18, 1996

Mrs. Blanca S. Bayo
Director, Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32301

RE: Docket No. 920260-TL

Dear Mrs. Bayo:

Enclosed are an original and fifteen copies of BellSouth Telecommunications, Inc.'s Joint Motion. Please file these documents in the captioned docket.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served on the parties shown on the attached Certificate of Service.

Sincerely,

Nancy B. White
Nancy B. White (28)

- ACK 1 Enclosures
- AFA 2
- APP cc: All Parties of Record
- CAF 1 A. M. Lombardo
- CMU Norton R. G. Beatty
- CTR R. D. Lackey
- EAG
- LEG 1
- LIN 5
- OPC
- RCH 1
- SEC 1
- WAS
- OTH

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CERTIFICATE OF SERVICE

Docket No. 920260-TL

Docket No. 900960-TL

Docket No. 910163-TL

Docket No. 910727-TL

I HEREBY CERTIFY that a copy of the foregoing has been
furnished by United States Mail this 18th day of April, 1996 to:

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Florida Public Service
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Tallahassee, FL 32399-0850

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DOCUMENT NUMBER-DATE

04472 APR 18 86

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Nancy B. White

(20)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Comprehensive Review of)
the Revenue Requirements and Rate) Docket No. 920260-TL
Stabilization Plan of Southern)
Bell Telephone and Telegraph) Filed: April 18, 1996
Company)
_____)

JOINT MOTION

COME NOW, the Office of Public Counsel ("Public Counsel") and BellSouth Telecommunications, Inc. ("BellSouth" or "Company"), pursuant to Rule 25-22.037, Florida Administrative Code, and hereby file this Joint Motion to have the Florida Public Service Commission (the "FPSC") approve the Stipulation and Agreement Between the Office of Public Counsel and BellSouth Telecommunications (the "Stipulation and Agreement") and to take all action specified therein. In support of this Joint Motion, Public Counsel and BellSouth show the FPSC the following:

1. The FPSC currently has pending the implementation of the provisions of the Stipulation and Agreement Between Public Counsel and BellSouth, filed on January 5, 1994 and approved by the Commission in Order No. PSC-94-0172-FOF-TL, issued on February 11, 1994.

2. One of the provisions to be implemented concerns the issue of BellSouth's return on equity/earnings for calendar year 1994 and the sharing therefrom.

3. Public Counsel and BellSouth believe that an amicable resolution of BellSouth's return on equity and earnings level for calendar year 1994 would be in the best interests of Public Counsel, BellSouth, the ratepayers of BellSouth, and the FPSC and its Staff. Accordingly, Public Counsel and BellSouth have

DOCUMENT NUMBER-DATE
04472 APR 18 96
FPSC-RECORDS/REPORTING

negotiated a settlement of this. That settlement is set forth in the Stipulation and Agreement executed by Public Counsel and BellSouth on April 18, 1996. A copy of the executed Stipulation and Agreement is attached hereto as Attachment "A".

4. The Stipulation and Agreement resolves all issues in the above captioned docket with regard to BellSouth's earnings for calendar year 1994 in a manner that is reasonable and in the best interests of BellSouth's ratepayers and to the FPSC. In general, the terms of that Stipulation and Agreement call for: (1) BellSouth to make specified refunds and a methodology for same; and (2) acknowledge that the issue of BellSouth's level of earnings for calendar year 1995 remain in dispute.

5. Because the Stipulation and Agreement is in the best interest of BellSouth's ratepayers, Public Counsel and BellSouth request that the FPSC expeditiously accept the Stipulation and Agreement as filed and thereupon take all action as specified therein.

WHEREFORE, Public Counsel and BellSouth respectfully request that the FPSC grant the relief sought in this Joint Motion. This 18th day of April, 1996.

THE OFFICE OF PUBLIC COUNSEL BELLSOUTH TELECOMMUNICATIONS, INC.

BY: Charles J. Beak
Charles J. Beak
Deputy Public Counsel

BY: Robert G. Beatty
Robert G. Beatty (or)
General Counsel-Florida

Attachment "A"

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Comprehensive Review of)
the Revenue Requirements and Rate) Docket No. 920260-TL
Stabilization Plan of Southern)
Bell Telephone and Telegraph) Filed: April 18, 1996
Company)
_____)

STIPULATION AND AGREEMENT
BETWEEN THE OFFICE OF PUBLIC
COUNSEL AND BELL SOUTH TELECOMMUNICATIONS, INC.

COME NOW, the Office of Public Counsel ("Public Counsel") and BellSouth Telecommunications, Inc. ("BellSouth" or "Company") (sometimes hereinafter referred to as the "Parties") and hereby agree and covenant as follows:

WHEREAS, there is presently pending before the Florida Public Service Commission ("FPSC") the implementation of the provisions of the Stipulation and Agreement between the Office of Public Counsel and BellSouth filed on January 5, 1994 and approved by the Commission in Order No. PSC-94-0172-FOF-TL, issued on February 11, 1994; and

WHEREAS, the issue of BellSouth's return on equity (earnings) for calendar year 1994 and the sharing therefrom remains to be concluded; and

WHEREAS, Public Counsel and BellSouth believe that it is in the best interest of the ratepayers of BellSouth and the Citizens of Florida to amicably resolve the issue of BellSouth's return on equity/earnings for calendar year 1994 without the expenditure of further time, money, and other resources in litigating these issues before the Commission and the courts;

Now therefore, the Parties do hereby agree and covenant as follows:

6. The Parties agree that this Stipulation and Agreement is intended to and shall settle all issues with regard to the determination of BellSouth's return on equity and earnings for calendar year 1994, as well as the appropriate amount of sharing therefrom.

7. The Parties agree that the preliminary Surveillance Report for calendar year 1994 resulted in a refund to BellSouth's Florida Subscribers, which refund was completed during 1995. This refund was pursuant to Order No. PSC-95-0562-FOF-TL, issued on May 8, 1995.

8. The Parties agree that the final Surveillance Report for calendar year 1994 shows that BellSouth's earnings before sharing for that period exceeded 12% on equity by an additional 12.0 million dollars. As a result, BellSouth's Florida subscribers are entitled to receive 60% of the additional earnings above 12% on equity, or 7.2 million dollars.

9. The Parties propose that these refunds be returned to ratepayers using the same methodology approved by this Commission in Order No. PSC-95-0562-FOF-TL. The Parties propose that the 1994 amount of 7.2 million dollars shall be refunded to customers of record as of the end of April, 1996. The Parties propose that refunds shall begin as soon as possible and shall be completed no later than the end of July, 1996.

10. The Parties acknowledge that the issue of BellSouth's level of earnings for calendar 1995 and any sharing therefrom

remains in dispute. The Parties, therefore, believe it is in the public interest to make the refunds for 1994 at the present time, rather than to wait for completion of any review of BellSouth's earnings/return on equity for calendar year 1995.

11. The Parties agree that they shall jointly petition the FPSC to approve this Stipulation and Agreement.

12. The Parties agree that in the event the FPSC does not adopt this Stipulation and Agreement in its entirety, this Stipulation and Agreement shall become null and void and be of no effect.

13. The Stipulation and Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida, without regard to its conflict of laws principles.

14. Public Counsel and BellSouth acknowledge that this Stipulation and Agreement is being entered into for the purposes of settlement only and that the Parties are entering into this Stipulation and Agreement to avoid the expense and length of further legal proceedings, taking into account the uncertainty and risk inherent in any litigation.

IN WITNESS WHEREOF, this Stipulation and Agreement has been executed as of the 18th day of April, 1996, by the undersigned counsel of record for the Parties hereto and/or by the Parties themselves in multiple counterparts, each of which shall be deemed an original.

THE OFFICE OF PUBLIC COUNSEL

BELLSOUTH TELECOMMUNICATIONS, INC.

By: Jack Shreve

Jack Shreve
Public Counsel

By: Joseph P. Lacher

Joseph P. Lacher
President - Florida