

FLORIDA PUBLIC SERVICE COMMISSION
Capital Circle Office Center • 2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

M E M O R A N D U M

August 22, 1996

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF COMMUNICATIONS (STRONG) *JSJ RNT*
DIVISION OF LEGAL SERVICES (BILLMEIER) *LMB MCB*

RE: DOCKET NO. 960650-TP - PETITION FOR WAIVER OF REQUIRED PAYMENT METHOD OF DIAL-AROUND COMPENSATION TO ALLOW IMPLEMENTATION OF A PER-CALL BASED METHOD FOR INTRASTATE CALLS TO NON-LOCAL EXCHANGE PAY TELEPHONE (NPAT) PROVIDERS BY AT&T COMMUNICATIONS OF THE SOUTHERN STATES, INC.

AGENDA: SEPTEMBER 3, 1996 - REGULAR AGENDA - PROPOSED AGENCY ACTION - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: : \PSC\CMU\WP\960650.RCM

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission approve AT&T Communications of the Southern States' (AT&T's) petition for waiver of the Commission's required method of dial-around compensation to allow implementation of a per-call based method?

RECOMMENDATION: Yes, the Commission should approve AT&T's petition for waiver of the Commission's required method of dial-around compensation to allow implementation of a per-call based method, effective 4/1/96.

STAFF ANALYSIS: Dial-around traffic is generated at a pay telephone when the end user "dials around" the pay phone's prescribed long distance carrier to reach the end user's preferred carrier. This is typically done through 1-800, 10XXX, or 950 calls, though other calling patterns may also be used. Dial-around compensation is the payment of fees from the long distance carriers that are getting the traffic to the pay telephone providers whose

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carriers have been circumvented.

The Commission set its dial-around policy by Order No. PSC-93-0070-FOF-TP, in Docket No. 920399-TP. In that Order, the Commission set a flat-rate charge of \$3.00 to be paid to each nonLEC pay telephone service (NPATS) provider for each of the NPATS' pay telephone lines. The \$3.00 fee was split among AT&T, Sprint, MCI Telecommunications Corp. (MCI), and LDDS WorldCom (LDDS), according to each company's percentage of intrastate traffic.

At that time, the Commission expressed its preference for a per-call rate, but technical limitations necessitated the \$3.00 surrogate. The Commission stated that a per-call method should be implemented once one was developed at the federal level.

On June 23, 1995, Sprint filed a petition seeking to be removed from the above group of 4 long distance carriers so it could pay NPATS providers \$.25 per dial-around call. Sprint's petition was approved by the Commission; as a result, the remaining three carriers have been paying \$2.71 per line. (AT&T pays \$2.02 per line, MCI pays \$0.43, and LDDS pays \$0.26.) If this recommendation is approved, the remaining two carriers (MCI and LDDS) would pay a total of \$.69 per line (MCI and LDDS would continue to pay \$.43 and \$.26, respectively). AT&T's petition, would, if approved, like Sprint, provide for compensating NPATS providers \$.25 per call for all dial-around traffic.

AT&T petitioned the Federal Communications Commission (FCC) for waiver of its rules requiring AT&T to pay dial-around compensation on a per phone basis and requested that it be allowed to implement a per call dial-around compensation mechanism on an interstate basis. The FCC approved AT&T's petition on December 28, 1994.

On May 24, 1996, AT&T filed a similar petition with this Commission. AT&T has requested that its Petition become effective April 1, 1996. Dial-around compensation is usually processed quarterly in arrears, so AT&T would adjust its billing process for the April 1-June 30 period to make the change effective April 1, 1996. Payments are typically made approximately four months after the end of a quarter; consequently, no retroactive adjustments will be needed for the April 1 - June 30 period.

Staff believes AT&T's request should be granted. The petition reflects the Commission's preference that compensation be paid on a per call basis.

Docket No. 960650-TP
August 22, 1996

ISSUE 2: Should this docket be closed without further action by the Commission?

RECOMMENDATION: Yes, unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the order, this docket should be closed after the expiration of the protest period.

STAFF ANALYSIS: Unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the order, this docket should be closed after the expiration of the protest period.



RECEIVED
JUL 29 1996

July 19, 1996

FPSC-RECORDS/REPORTING

Ms. Blanca S. Bayo, Director
Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Dear Ms. Bayo:

AMERICAN NETWORK EXCHANGE, INC. ("AMNEX") is a telecommunications company and has an interest in the telecommunications industry and in the case(s) listed below. Please place our name on your service list to receive copies of Staff Recommendations, Notices and Orders originating from the Public Service Commission.

960626-TI MAY 20 1996
960650-TP MAY 24 1996
960658-TP MAY 24 1996
960757-TP JUNE 24 1996
960769-TP JUNE 25 1996
960786-TL JUNE 28 1996

Copies should be mailed to:

AMNEX
Regulatory Affairs
101 Park Avenue - Suite 2507
New York, NY 10178

Please contact the undersigned should you have any comments or questions. Thank you.

Very truly yours,


Amy S. Gross

AMNEX, INC.

101 Park Avenue • Suite 2507 • New York, NY 10178 • (212) 867-0166 • FAX (212) 867-0092


MEMORANDUM

JUNE 17, 1996

RECEIVED
JUN 18 1996
9:15

FPSC-RECORDS/REPORTING

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (BILLMEIER) *LMB* 

RE: DOCKET NO. 960650-TP - PETITION FOR WAIVER OF REQUIRED PAYMENT METHOD OF DIAL-AROUND COMPENSATION TO ALLOW IMPLEMENTATION OF A PER-CALL BASED METHOD FOR INTRASTATE CALLS TO NON-LOCAL EXCHANGE COMPANY PAY TELEPHONE (NPATS) PROVIDERS BY AT&T COMMUNICATIONS OF THE SOUTHERN STATES, INC.

PSC-96-0793-PCO-T1

Attached is an ORDER GRANTING INTERVENTION, to be issued in the above-referenced docket. (Number of pages in Order - 2)

LMB/anr
Attachment
cc: Division of Communications
I: 960650FA.MMB