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September 6, 1996

BY HAND DELIVERY

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

Re: Docket No. 960570-TC

Dear Ms. Bayo:

Enclosed for filing in the above-styled docket are the original and fifteen (15) copies of ALLTEL Florida, Inc.'s Petition.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning the same to this writer.

Thank you for your assistance in this matter.

Sincerely,

J. Jeffry Wahlen

Enclosures
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for waiver of Rules 25-24.620 (2) (c) and (d) and 25-24.515(7), F.A.C. by AmeriTel Pay Phones, Inc.	DOCKET NO. 960570-TC Filed: September 6, 1996

PETITION

Pursuant to Rules 25-22.029(4) and 25-22.036, Florida Administrative Code, ALLTEL Florida, Inc. ("ALLTEL") petitions the Florida Public Service Commission ("FPSC" or "Commission") for a formal administrative proceeding on the preliminary decision set forth in Order No. PSC-96-1063-FOF-TC ("Order No. 96-1063"), and alleges:

Introduction

1. ALLTEL is a local exchange telecommunications company subject to the jurisdiction of the FPSC. More specifically, ALLTEL is a "small local exchange telecommunications company" within the meaning of Section 364.052, Florida Statutes (1995). ALLTEL has not elected price regulation and remains under rate base, rate of return regulation at this time.

2. All pleadings, orders, notices and other papers filed or served in this docket should be served on ALLTEL at the following addresses:

Lee L. Willis
J. Jeffry Wahlen
Ausley & McMullen
P. O. Box 391
Tallahassee, FL 32302

Harriet Eudy
ALLTEL Florida, Inc.
P. O. Box 550
Live Oak, FL 32060

The Protested Order

3. Order No. 96-1063 exempts AmeriTel Pay Phones, Inc. ("AmeriTel") from the FPSC's 10-year old policy of reserving 0+ local and 0+ intraLATA calls to the serving local exchange company. That policy has been in effect since 1985 and was reaffirmed in Order Nos. 16343, 20489, 21614, 22243 and 24101.

4. Among other reasons, the policy was developed to protect LEC revenues in an environment of rate of return regulation. See Order No. 96-1063 at 2. Protecting LEC revenues is not one of the Commission's ultimate regulatory goals, but rather, has been viewed as a means to help keep basic local service rates as low as reasonably possible.

ALLTEL's Substantial Interests

5. ALLTEL's substantial interests will be, or are, affected by the determination in Order No. 96-1063 because that order has the effect of eliminating the reservation of 0+ local and 0+ intraLATA calls to the serving LEC. To the extent AmeriTel provides pay telephone service to confinement facilities in ALLTEL's certificated territory at this time, the requested exemption will eliminate a revenue stream that has been available to ALLTEL. Changing the revenue streams available to ALLTEL affects ALLTEL's substantial interests.

6. Even if AmeriTel does not provide pay telephone service to confinement facilities in ALLTEL's service territory at this time, Order No. 96-1063 affects ALLTEL's substantial interests. If the requested waiver is granted and AmeriTel later begins providing

pay telephone service to confinement facilities in ALLTEL's certificated territory, ALLTEL will have lost the revenue stream that would have been provided to ALLTEL but for the waiver preliminarily approved in Order No. 96-1063. If ALLTEL does not challenge the requested waiver at this time, it may have forever lost the opportunity to do so.

7. Order No. 96-1063 appears to be part of the development of a Commission policy that would eliminate for all PATS providers the long standing policy of reserving 0+ local and 0+ intraLATA toll traffic from prison PATS to the serving LEC. Unless ALLTEL has the opportunity to challenge this change of policy in this and related dockets, it will be denied the opportunity to challenge a change of policy that eliminates a revenue stream that has historically helped ALLTEL keep basic local service rates low and affordable to the general public.

Entitlement to Relief

8. Order Nos. 16343, 20489, 21614, 22243 and 24101 form the basis for the Commission's existing policy on the reservation of 0+ local and 0+ intraLATA traffic to the serving LEC. Among other reasons, this policy was developed to protect LEC revenues in an environment of rate of return regulation. As noted above, protecting LEC revenues is not one of the Commission's ultimate regulatory goals, but rather, has been viewed as a means to help keep basic local service rates as low as reasonably possible.

9. ALLTEL remains on rate of return regulation. Section 364.052(2), Florida Statutes (1995), provides that companies

remaining on rate of return regulation shall be regulated "pursuant to . . . provisions necessary for rate of return regulation." The Commission's 0+ local and 0+ intraLATA policy was developed under rate of return regulation to protect the revenues of the serving LEC and, because it helps keep basic local service rates affordable, is a provision necessary for the continued rate of return regulation of ALLTEL.

10. If the Commission's policy is changed or the waiver is granted as proposed in Order No. 96-1063, ALLTEL's ability to fulfill its role as the carrier of last resort and its ability to continue to provide basic local service at reasonable rates will be diminished. Accordingly, changing the Commission policy or granting the exemption is not in the public interest as it relates to PATS providers providing service to confinement facilities in the territory of a small LEC remaining on rate of return regulation.

Disputed Issues of Fact

11. Based on its discussions with persons involved in this docket, ALLTEL believes that the following fact issues are disputed at this time:

a. Whether granting the exemption requested will impair ALLTEL's ability to serve as carrier of last resort in its service territory.

b. Whether granting the exemption requested will impair ALLTEL's ability to promote universal service within its territory.

c. Whether granting the exemption requested will impair ALLTEL's ability to keep basic local service rates at its current low levels.

d. Whether granting the exemption requested is in the public interest.

12. Accordingly, ALLTEL requests a 120.57(1), Florida Statutes, hearing and reserves the right to raise additional disputed issues of fact as the proceeding progresses.

WHEREFORE, ALLTEL respectfully protests Order No. 96-1063, and requests that the FPSC hold a 120.57(1) hearing and enter an order denying the requested exemption.

DATED this 6th day of September, 1996.

LEE L. WILLIS
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P. O. Box 391
Tallahassee, FL 32302
(904) 224-9115

ATTORNEYS FOR ALLTEL FLORIDA, INC.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U. S. Mail or hand delivery (*) this 6th day of September, 1996, to the following:

Division of Legal Services *
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

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