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October 14, 1996

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

RE: Docket No. 851560

Dear Mrs. Bayo:

Enclosed are an original and fifteen copies of Comments of BellSouth Telecommunications, Inc. Please file these documents in the above-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 yours,

*A. Langley Kitchings*  
A. Langley Kitchings  
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- EAG
- LFG
- LIN
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Enclosures

cc: All Parties of Record  
A. M. Lombardo  
R. G. Beatty  
W. J. Ellenberg

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10986 OCT 14 8  
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Proposed Rules )  
Relating to Pay Telephone )  
Services )  
\_\_\_\_\_ )

DOCKET NO. 951560  
Date: October 14, 1996

COMMENTS OF BELLSOUTH TELECOMMUNICATIONS, INC.

BellSouth Telecommunications, Inc. ("BST" or "BellSouth") hereby submits the following comments regarding the Florida Public Service Commission.

I. OVERVIEW

BellSouth takes the position that a workshop must be conducted as directed by the Commission in its July 30, 1996 Agenda Conference. BellSouth does not believe that the proposed rules can adequately address the issues before the Florida Public Service Commission.

Moreover, it should be noted that the release date of these proposed rules was prior to the release of the FCC Report and Order in the Matter of Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996 adopted on September 20, 1996 in Docket 96-128 ("Order") implementing the payphone provisions of the Telecommunications Act of 1996. While some of these proposed rules are consistent with the provisions of the FCC Order, others, such as the routing of certain calls to the local provider, the treatment of public interest payphones, and the direction to permit the payphone provider to charge for calls to "411", have not been addressed by the proposed Rules changes from the Florida Public

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Service Commission Staff. BellSouth believes that all parties would benefit from a workshop to discuss the impact of that Order on State payphone rules.

BellSouth has set forth below, section by section, its comments regarding the Florida Public Service Commission's proposed rules for pay telephone services. To the extent that BellSouth has not commented on a particular section or provision, BellSouth does not necessarily agree with the adoption of such section or provision, but proposes that all rules relating to payphone services be discussed in a workshop.

## **II. COMMENTS**

### **A. Rule 25-24.515 (7)**

1. Rule 25-24.515 (7), which requires that intraarea calls dialed without an access code be routed to the local exchange company is being modified to apply to local calls only and to require the routing of those calls, including operator service calls, to the "provider of local exchange telecommunications services" instead of the "local exchange company." The modification to the language referring to the local carrier apparently is intended to permit routing of such calls to the payphone provider's preferred local carrier. The rule has the effect, in part, of requiring the unblocking of access codes to complete local calls.

2. Currently, BellSouth switches do not allow for local calls to be completed using an access code. BellSouth must modify each end office switch

to permit dial around access for local calls. A minimum of 90 days notice is required to implement this change.

3. This proposed rule as it relates to dial around access for local calls is consistent with the FCC Order. In its Order, the FCC concluded that the unblocking of carrier access codes mandated by TOCSIA and its rules for interstate calls should also apply to intrastate (including local) access code calls. Allowing unrestricted access to a caller's preferred carrier is an essential feature of creating a competitive payphone industry. The FCC has created a mechanism that ensures that the payphone service provider ("PSP") will receive compensation for all access code calls, including intrastate and local calls. Given the existence of compensation and the pro-competitive purpose of Section 276 of the 1996 Act, and in the absence of any technical limitations, the FCC finds that unblocked access for all access code calls from payphones is required.

4. However, the proposed rule is not consistent with the FCC Order for routing of direct dialed local calls, or those dialed on a 0+ or 0- basis. The Order preempts State requirements for routing of intralata calls to the incumbent LEC. The Order only permits routing of 0- calls to the LEC "initially" (para. 262). BellSouth believes this proposed rule does not adequately provide for the routing options for local calls available to payphone providers. BellSouth recommends a workshop be held to discuss full implementation of the FCC Order in this area.

5. 25-24.516 (d)(3).(p 14) This proposed change will result in expenses for BellSouth to change its methods and procedures for the collection of a set use fee on behalf of payphone providers. In order to fully discuss this issue, and to protect BellSouth's rights, a workshop must be held pursuant to the Florida Public Service Commission's directive to the Staff.

C. 25-4.076(1) Pay Telephone Service Provided by Local Exchange Companies (p.15)

6. The FCC Report and Order in paragraph 282 adopts a definition of "public interest payphone," which is more specific than, though not necessarily inconsistent with, the proposed modification to these rules. The Order goes on to set a national guideline (para. 283) for the funding mechanism of a state public interest payphone program: "We leave to the discretion of the states how to fund their respective public interest payphone programs, so long as the funding mechanism, (1) "fairly and equitably" distributes the costs of such a program and (2) does not involve the use of subsidies prohibited by Section 276(b)(1)(B) of the 1996 Act." BellSouth notes that no funding mechanism has been set out in the proposed modification. The proposed rule also applies only to LEC provided payphones. BellSouth believes that the funding mechanism for public interest payphones should be developed by the Commission and that the requirement set forth in this rule should be applied to both LEC and non-LEC provided payphones with appropriate funding that fairly compensates the companies providing these payphones. This issue is also more appropriately discussed in a workshop.

7. This paragraph is identical to 25-24.515 which is applicable to Independent Payphone Providers ("IPP's"); and requires them to permit incoming calls unless they have an exemption. As BellSouth has noted in prior comments, limiting a waiver that permits blocking of incoming calls to a period of one year is administratively burdensome and provides little benefit to the general public. This proposed rule should not be adopted.

### III. CONCLUSION

BellSouth strongly recommends that in light of the date of the proposed rule changes in this docket and the Commission's directive stated at the July 30, 1996 Agenda Conference, all parties would benefit from a workshop to thoroughly analyze the impact of the FCC Report and Order.

Respectfully submitted,

*A Langley Kitchings*

ROBERT G. BEATTY

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A. LANGLEY KITCHINGS

GAIL F. BARBER

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Telecommunications, Inc.

CERTIFICATE OF SERVICE  
Docket No. 951560-TP

I HEREBY CERTIFY that a copy of the foregoing comments has been served on all parties to this proceeding, by United States mail, postage prepaid, this 14th day of October, 1996 to the following parties of record:

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