BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for waiver of Rules 25-24.515(7) and 25-24.620(2)(c) and (d), F.A.C., regarding 0+ local and 0+ intraLATA traffic, by BellSouth Telecommunications, Inc.

) DOCKET NO. 961040-TC) ORDER NO. PSC-96-1414-FOF-TC) ISSUED: November 20, 1996

The following Commissioners participated in the disposition of this matter:

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

NOTICE OF PROPOSED AGENCY ACTION ORDER GRANTING PETITION FOR WAIVER

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

BACKGROUND

BellSouth Telecommunications, Inc. (BellSouth) holds pay telephone certificate no. 4287, with an effective regulation date of October 12, 1995.

On September 4, 1996, BellSouth filed a Petition for a waiver of those rules and policies currently prohibiting it from providing 0+ local and 0+ intraLATA calls from store-and-forward pay telephones located in confinement facilities. BellSouth operates pay telephones in confinement facilities in its own local exchange service territory but does not presently operate any pay telephones in confinement facilities outside its local exchange service territory.

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DECISION

We have already issued Order No. PSC-96-0884-FOF-TP implementing 1+intraLATA competition via presubscription for non-LEC pay telephone providers and call aggregators. We have also granted exemptions to allow five other pay telephone providers to handle 0+local and intraLATA traffic in confinement facilities (951198-TC, 951546-TP, 9960407-TC, 960570-TC and 960603-TC). Three small rate-of-return regulated LECs (Quincy Telephone Company, Alltel Florida, Inc., and Indiantown Telephone System, Inc.) filed protests to the Orders granting those exemptions and all five dockets have been scheduled for hearing.

There seems to be no compelling reason to continue the prohibition against pay telephone providers in confinement facilities handling local and intraLATA calls on a collect basis since Florida Statutes have been amended to permit competition for local telephone service and we have been instructed to encourage such competition. Section 364.01(4) (e), Florida Statutes instructs us to "Encourage all providers of telecommunications services to introduce new or experimental telecommunications services free of unnecessary regulatory restraints." Section 364.01(4)(f), Florida Statutes instructs us to "Eliminate any rules and/or regulations which will delay or impair the transition to competition."

Allowing BellSouth to handle local and intraLATA 0+ calls from confinement facilities will facilitate competition as the company will be able to more effectively compete for those sites where the traffic is predominately local and intraLATA. BellSouth is capable of providing 0+ local and 0+ intraLATA service immediately as the technology is already in place within the pay telephone. Upon consideration, we grant BellSouth's petition to handle 0+ local and intraLATA calls from confinement facilities.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that BellSouth Telecommunications, Inc.'s petition for exemption from Rule 25-4.515(7), and Rule 25-24.620(2)(c) and Florida Administrative Code, and the policies contained in Orders Nos. PSC-95-0918-FOF-TP, PSC-95-0203-FOF-TP, and 24101 to permit it to handle and bill 0+ local and 0+ intraLATA calls from pay telephones located in confinement facilities at no more than the rates charged by the serving local exchange company for the same call is granted. It is further ORDER NO. PSC-96-1414-FOF-TC DOCKET NO. 961040-TC PAGE 3

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective unless an appropriate petition, in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that a protest filed by a local exchange company shall be applicable only to that local exchange company's territory and shall not prevent BellSouth from carrying this traffic in a nonprotesting LEC's territory. It is further

ORDERED that in the event this Order becomes final, this Docket shall be closed.

By ORDER of the Florida Public Service Commission, this 20th day of November, 1996.

BLANCA S. BAYO, Director Division of Records and Reporting

by: Chief, Bureau of

(SEAL)

NSR/MCB

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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.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on <u>December 11, 1996</u>.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party substantially affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.