

VOTE SHEET

DATE: March 18, 1997

RE: DOCKET NO. 970172-TP - Petition by MCI Telecommunications Corporation for an order requiring BellSouth Telecommunications, Inc. to remove its deregulated payphone investment and associated expenses from its intrastate operations and reduce the Carrier Common Line rate element of its intrastate switched access charges by approximately \$36.5 million as required by the Federal Telecommunications Act of 1996.

DOCKET NO. 970173-TP - Petition by MCI Telecommunications Corporation for an order requiring GTE Florida Incorporated to remove its deregulated payphone investment and associated expenses from its intrastate operations and reduce the Carrier Common Line rate element of its intrastate switched access charges by approximately \$9.6 million as required by the Federal Telecommunications Act of 1996.

DOCKET NO. 970281-TL - Establishment of intrastate implementation requirements governing federally mandated deregulation of local exchange company payphones.

Issue 1: Recommendation that the Commission not grant MCI's petitions to reduce intrastate Carrier Common Line rates to remove payphone investment from the rates of BellSouth and GTEFL. This action will render GTEFL's motion to dismiss moot.

APPROVED

COMMISSIONERS ASSIGNED: Full Commission

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

[Handwritten signatures in the Majority column]

[Handwritten signature in the Dissenting column with a circled '2' next to it]

REMARKS/DISSENTING COMMENTS:

PSC/RAR33 (5/90)

Chairman Johnson dissented from the majority vote in Issue 2.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

Issue 2: Recommendation that, in order to comply with the provisions of § 276 of TA96 and FCC Orders 96-388 and 96-439, all LECs should file the following information no later than March 31, 1997:

- As of December 31, 1995, the amount of payphone investment and any other assets used in the provision of payphone service along with the accumulated depreciation and deferred income tax liabilities.
- 1995 payphone services revenues by account or source, with supporting documentation.
- 1995 payphone services expenses by account or source, with supporting documentation.
- Amount of any subsidy of payphone services.
- A copy of the CCL rate revision filings and accompanying subsidy calculation data submitted to the FCC in docket number 96-128.

A LEC may make rate reductions in intrastate toll, operator surcharges, or switched access to the extent necessary to eliminate any intrastate payphone subsidy. Subject to this constraint, the LEC should have discretion regarding which tariff elements are reduced and need only demonstrate via a price-out that the revenue reduction eliminates the subsidy. For purposes of the price-out, the LEC should not include any stimulation associated with the reduction in rates. The price-out should be included with any LEC tariff filing that purports to eliminate a LEC payphone subsidy. For rate-of-return regulated LECs, the Commission should order these LECs to file tariffs reflecting the Commission's decision no later than March 31, 1997, for an April 15, 1997 effective date.

MODIFIED

Approved with modification that the Commission not specify rate reductions to eliminate subsidy and to include cost information concerning services associated with pay telephones.

Chairman Johnson dissented.

Issue 3: Recommendation that the Commission require BellSouth to withdraw its tariff filing of February 26, 1997.

Moot - issue deleted

Sheet

Dockets Nos. 970172-TP,

970173-TP, 970281-TL

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Issue 4: Recommendation that, if no protest to the proposed agency action is filed within 21 days of the date of issuance of the order, Dockets Nos. 970172-TP and 970173-TP should be closed. A protest in one docket should not prevent action in a separate docket from becoming final. In any event, Docket No. 970281-TL should remain open to handle implementation matters. If a timely protest is received, tariffs filed in accordance with the order should remain in effect with revenues held subject to refund.

APPROVED