

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for limited ) DOCKET NO. 960776-TL  
scope proceeding to change ) ORDER NO. PSC-97-0586-FOF-TL  
existing rate relationships by ) ISSUED: May 22, 1997  
Frontier Communications of the )  
South, Inc. )  
\_\_\_\_\_ )

The following Commissioners participated in the disposition of this matter:

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

ORDER ACKNOWLEDGING VOLUNTARY  
WITHDRAWAL OF PETITION FOR LIMITED  
SCOPE PROCEEDING

BY THE COMMISSION:

On January 1, 1988, in Docket No. 850310-TL, the intraLATA Local Exchange Carrier (LEC) toll bill-and-keep subsidy mechanism was established as a temporary mechanism to ease the transition from a pooling environment to a total bill-and-keep environment. The subsidy amounts were phased down on January 1 of 1989, 1990, and 1991. Using the phase down, many of the recipient LECs were able to make the transition out of the intraLATA toll bill-and-keep subsidy mechanism. However, Frontier Communications of the South, Inc. (Frontier or the Company), and Northeast Florida Telephone Company, Inc. (Northeast) had not done so.

On June 26, 1996, Frontier filed a petition with the Commission requesting a limited scope proceeding to modify its existing rate schedules. It proposed increases in basic local rates to offset the revenues it will lose by the elimination of its intraLATA LEC toll bill-and-keep subsidy. Frontier currently receives a subsidy in the amount of \$128,000 annually. The Company stated that the recent changes in the telecommunications industry, both at the state and federal levels, pose a threat to its intraLATA toll bill-and-keep subsidy. Thus, it desired to eliminate its reliance on the subsidy revenue and be afforded the option of choosing price regulation.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

ORDER NO. PSC-97-0586-FOF-TL  
DOCKET NO. 960776-TL  
PAGE 2

On August 9, 1996, the Office of the Public Counsel (OPC) filed a motion opposing Frontier's proposal and requested a hearing. BellSouth, as the sole contributor to the subsidy mechanism, was granted leave to intervene in the proceeding, and the petition was set for hearing. On March 26, 1997, Frontier filed for Voluntary Withdrawal of its petition.

We acknowledge Frontier's voluntary withdrawal of its petition. This acknowledgment does not preclude any further action in the future regarding intraLATA toll bill-and-keep subsidy.

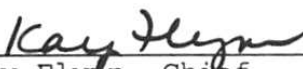
Based on the foregoing,

It is ORDERED by the Florida Public Service Commission that Frontier's Notice of Voluntary Withdrawal of its petition is acknowledged. It is further

ORDERED that this docket shall be closed.

By Order of the Florida Public Service Commission this 22nd, day of May, 1997.

BLANCA S. BAYO, Director  
Division of Records and Reporting

  
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Kay Flynn, Chief  
Bureau of Records

(S E A L)

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ORDER NO. PSC-97-0586-FOF-TL  
DOCKET NO. 960776-TL  
PAGE 3

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/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 after the issuance 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.