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FILE COPY

**PUBLIC SERVICE COMMISSION**

**DOCKET NO. 960000-TI**

**RULE TITLES:**

**RULE NOS.:**

**Scope and Waiver**

**25-24.900**

**Terms and Definitions**

**25-24.905**

**Certificate of Public Convenience and Necessity**

**Required**

**25-24.910**

**Tariffs or Prices Lists**

**25-24.915**

**Standards for Prepaid Calling Services and**

**Disclosure**

**25-24.920**

**Refunds**

**25-24.925**

**Adequacy of Service**

**25-24.930**

**Discontinuance of Service**

**25-24.935**

**Penalties**

**25-24.940**

**NOTICE OF CHANGE OF HEARING DATE**

The Public Service Commission notifies all interested that the date of the hearing on the proposed rules has been changed to

ACK \_\_\_\_\_ January 30, 1998, from August 14, 1997, in order for the full  
AFA \_\_\_\_\_ Commission to participate.  
APP \_\_\_\_\_

CAF \_\_\_\_\_ The hearing will be held at the following time and place:

CTE \_\_\_\_\_ **TIME AND DATE: 9:30 a.m., Friday, January 30, 1998**  
CTR \_\_\_\_\_

EAG \_\_\_\_\_ **PLACE: Room 148, Betty Easley Conference Center, 4075 Esplanade**  
LEG \_\_\_\_\_ **Way, Tallahassee, FL 32399-0862.**  
L \_\_\_\_\_

Q \_\_\_\_\_ **PERSON TO BE CONTACTED: Diana Caldwell, Division of Appeals,**  
R \_\_\_\_\_  
S \_\_\_\_\_

SE \_\_\_\_\_

W/C \_\_\_\_\_

OTH \_\_\_\_\_

97 JUL 30 AM 11:01  
DEPARTMENT OF STATE  
REGISTRATION SECTION

DOCUMENT NUMBER-DATE

09917 JUL 30 5

FPSC-RECORDS/REPORTING

**Florida Public Service Commission, 2540 Shumard Oak Blvd.,  
Tallahassee, FL 32399-0862.**

FILE

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 90054-DE

RULE TITLE:	RULE NO.:
Scope and Waiver	25-24.900
Terms and Definitions	25-24.905
Certificate of Public Convenience and Necessity Required	25-24.910
Tariffs or Price Lists	25-24.915
Standards for Prepaid Calling Services and Consumer Disclosure	25-24.920
Refunds	25-24.925
Adequacy of Service	25-24.930
Discontinuance of Service	25-24.935
Penalties	25-24.940

RECEIVED  
 97 JUN 18 AM 10:15  
 DEPARTMENT OF STATE  
 TALLAHASSEE, FLORIDA

**PURPOSE AND EFFECT:** The purpose of the rule is to increase the customer's knowledge of the prepaid calling service (PPCS) he is purchasing and to protect the customer by ensuring that PPCS service contracts between the provider and distributor are honored. This protects the customer from having service discontinued due to the distributor's failure to pay the underlying carrier for service. The effect is that PPCS providers will provide a more dependable product and customers will be better informed about prepaid calling services.

**SUMMARY:** The rules require that no company shall provide PPCS without first obtaining a certificate from the Commission. A LEC,

DOCUMENT NUMBER-DATE  
 8649 JUN 18 5  
 FPSC-REGIONS/REPORTING

ALEC, or IXC may offer PPCS. Each company is required to file a tariff or price list. The card, its packaging, or the point of sale must disclose certain information and certain information must be printed on the card. The rates displayed or advertised must be in the company's tariffs or price lists. Billing increments shall not exceed one minute and a company may only round up to the next minute. Cards shall be considered active for one year unless an expiration date or period is printed on the card. A company may not discontinue service after a card is purchased unless the card was lost or stolen. The company must have a refund policy and must provide adequate service. Finally a penalty of not less than \$1,000 shall be imposed for a company operating without a certificate.

**SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST:** The major cost identified by the industry related to the cost of compliance with the service standards and disclosure. Some companies stated additional costs may be incurred to separate Florida traffic to comply with the service standard rule. The rule does not require that a company must separate out Florida traffic if the company meets the proposed standards throughout its calling area. Some companies stated that special packaging would be required of Florida cards, thus additional costs would be incurred. Companies estimated costs ranged from \$50,000 to \$776,000. Several companies estimated that additional costs would be associated with equipment and personnel necessary to implement the proposed

rule requirements. No direct impact on small cities or small counties was foreseen. Minimal impact on small business is expected.

Any person who wishes to provide information regarding the statement of estimated regulatory costs, or to provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

**SPECIFIC AUTHORITY: 350.127(2) FS.**

**LAW IMPLEMENTED: 364.04, 364.08, 364.09, 364.10, 364.19, 364.27, 364.33, 364.057, 364.285, 364.335, 364.337(4) FS.**

**WRITTEN COMMENTS OR SUGGESTIONS ON THE PROPOSED RULE MAY BE SUBMITTED TO THE FPSC, DIVISION OF RECORDS AND REPORTING, WITHIN 21 DAYS OF THE DATE OF THIS NOTICE FOR INCLUSION IN THE RECORD OF THE PROCEEDING.**

**HEARING: IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE TIME, DATE, AND PLACE SHOWN BELOW:**

**TIME AND DATE: 9:30 A.M., August 14, 1997**

**PLACE: Room 152, Betty Easley Conference Center, 4075 Esplanade Way, Tallahassee, Florida.**

**THE PERSON TO BE CONTACTED REGARDING THESE PROPOSED RULES IS:**

**Director of Appeals, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399-0862.**

**THE FULL TEXT OF THESE PROPOSED RULES ARE:**

**RULES OF THE FLORIDA PUBLIC SERVICE COMMISSION  
RULES GOVERNING PREPAID CALLING SERVICES**

## Part XVI

- 25-24.900 Scope and Waiver
- 25-24.905 Terms and Definitions
- 25-24.910 Certificate of Public Convenience and Necessity  
Required
- 25-24.915 Tariffs or Price Lists
- 25-24.920 Standards for Prepaid Calling Services and Consumer  
Disclosure
- 25-24.925 Refunds
- 25-24.930 Adequacy of Service
- 25-24.935 Discontinuance of Service
- 25-24.940 Penalties

### RULES GOVERNING PREPAID CALLING SERVICES

#### 25-24.900 Scope and Waiver.

(1) This part applies to companies using their own or resold telecommunications networks to provide prepaid calling services (PPCS).

(2) A company that offers for sale PPCS may petition for a waiver for any provision of this Part pursuant to Chapter 120. The Commission may grant a waiver to the extent that it determines that it is consistent with the public interest to do so. The Commission may grant the petition in whole or part, may limit the waiver to certain geographic areas, or may impose reasonable alternative regulatory requirements on the petitioning company. In disposing of a petition, the Commission may consider:

(a) The factors enumerated in Section 364.337(4), Fla.

Statutes:

(b) The extent to which competitive forces may serve the same function as, or obviate the necessity for, the provision sought to be waived; and

(c) Alternative regulatory requirements for the company which may serve the purposes of this Part.

(3) Prepaid calling services provided without compensation are exempt from Part XVI.

Specific Authority: 350.127(2), F.S.

Law Implemented: 364.01, 364.19, 364.337(4), F.S.

History: New \_\_\_\_\_.

25-24.905 Terms and Definitions.

For purposes of this part, the definitions to the following terms apply:

(1) "Company" means any entity providing prepaid calling services using its own or resold telecommunications network to provide prepaid calling services.

(2) "Conversation time" is the time when two-way telecommunications is possible.

(3) "Prepaid Calling Services (PPCS)" means any prepaid telecommunications service that allows end users to originate calls through an access number and authorization code, whether manually or electronically dialed.

(4) "Prepaid Calling Card" or "Card" means any object

containing an access number and authorization code that enables an end user to use PPCS.

Specific Authority: 350.127(2), F.S.

Law Implemented: 364.01, 364.03, 364.051, 364.335, 364.337(4) F.S.

History: New

25-24.910 Certificate of Public Convenience and Necessity Required.

A company shall not provide PPCS without first obtaining a certificate of public convenience and necessity as a local exchange company, alternative local exchange company, or interexchange company. The name used as the provider of PPCS printed on the prepaid calling card shall appear identical to the name in which the certificate is issued. If "doing business as" names are used, the names must be registered as fictitious names with the Florida Division of Corporations and the certificate must reflect the names prior to the names being used. The "doing business as" names are considered to be the certificated name.

Specific Authority: 350.127(2), F.S.

Law Implemented: 364.33, 364.335, 364.337(4) F.S.

History: New

25-24.915 Tariffs and Prices Lists.

(1) This section applies to all companies as defined in 25-24.905(1), regardless of certificate type or other tariff or price list requirements.

(2) Each company shall file a tariff or price list for PPCS.



(3) Each company shall include in its tariff or price list the following information:

(a) Maximum amount a person will be charged per minute for PPCS, and

(b) Applicable surcharges.

Specific Authority: 350.127(2), F.S.

Law Implemented: 364.04, 364.051, 364.057, 364.08, 364.09, 364.10, 364.19, 364.27, 364.337, F.S.

History: New \_\_\_\_\_.

25-24.920 Standards For Prepaid Calling Services and Consumer Disclosure.

(1) The following information shall be legibly printed on the card:

(a) The Florida certificated name clearly identified as the provider of the PPCS;

(b) Toll-free customer service number;

(c) Toll-free Network access number; and

(d) Authorization code, if required to access service.

(2) Each company shall legibly display the following information either on the card, packaging, or in a prominent area at the point of sale of the PPCS in such a manner that the consumer may make an informed decision prior to purchase:

(a) Maximum charge per minute for PPCS;

(b) Applicable surcharges; and

(c) Expiration policy, if applicable

(3) Each company shall provide through its customer service number the following information:

(a) Certificate number;

(b) Rates and surcharges;

(c) Balance of use in account; and

(d) Expiration date or period, if any.

(4) Each company shall provide a live operator to answer incoming calls 24 hours a day, 7 days a week or shall record end user complaints. A combination of live operators or recorders may be used. If a recorder is used, the company shall attempt to contact each complainant no later than the next business day following the date of the recording.

(5) The rates displayed in accord with paragraph (2) above shall be reflected in the tariff or price list for PPCS.

(6) A company shall not reduce the value of a card by more than the charges printed on the card, packaging, or visible display at the point of sale. The service may, however, be recharged by the consumer at a rate higher than the rate at initial purchase or last recharge. The higher rate and surcharges shall be no more than the rates and surcharges in the tariff or price list and the consumer shall be informed of the higher charges at the time of recharge.

(7) The billing increment shall not exceed one minute.

(8) Each company shall only charge for conversation time plus applicable surcharges.

(9) Conversation time of less than a full minute shall not be rounded up beyond the next full minute.

(10) Cards without a specific expiration period<sup>17</sup> printed on the card, and with a balance of service remaining, shall be considered active for a minimum of one year from the date of first use, or if recharged, from the date of the last recharge.

(11) If PPCS are sold without a card or printed material, tariffed charges and surcharges shall be disclosed at the point of sale.

Specific Authority: 350.127(2), F.S.

Law Implemented: 364.01, 364.03, 364.19 F.S.

History: New \_\_\_\_\_.

25-24.925 Refunds.

(1) Each company shall have a refund policy that meets the following minimum requirements:

(a) For PPCS that are rendered unusable for reasons beyond the consumer's control, and have not exceeded the expiration period, each company shall provide a refund equal to the value remaining in the account.

(b) Refunds may be cash or replacement service, at the company's option, but must be made to the end user within 60 days of notification by the end user.

(2) Each company may, but shall not be required, to provide a refund when a card has been lost or stolen.

Specific Authority: 350.127(2), F.S.

Law Implemented: 364.01, 364.19, F.S.

History: New \_\_\_\_\_.

25-24.930 Adequacy of Service.

Each company shall ensure that:

(1) A minimum of 95 percent of all call attempts shall be completed to the called party. Station busies will be counted as completed calls.

(2) A minimum of 95 percent of all call attempts shall be completed to a company's toll-free customer service number. Station busies will not be counted as completed calls.

(3) A minimum of 97 percent (allowing for a one-second variation) timing accuracy of conversation time shall be achieved.

Specific Authority: 350.127(2), F.S.

Law Implemented: 364.01, 364.19, F.S.

History: New \_\_\_\_\_.

25-24.935 Discontinuance of Service.

A company shall be responsible for ensuring, either through its contracts with its distributors or marketing agents, or other means, that end user purchased cards remain usable in accord with Rule 25-24.920(10).

Specific Authority: 350.127(2), F.S.

Law Implemented: 364.01, 364.19, F.S.

History: New \_\_\_\_\_.

25-24.940 Penalties.

The Commission shall impose penalties of not less than \$1,000

upon a finding that an uncertificated company has provided PPCS within the state of Florida.

Specific Authority: 350.127 (2) F.S.

Law Implemented: 364.285 F.S.

History: New \_\_\_\_\_.

NAME OF PERSON ORIGINATING PROPOSED RULES: Rick Moses

NAME OF SUPERVISOR OR PERSONS WHO APPROVED THE PROPOSED RULES:

Florida Public Service Commission.

DATE PROPOSED RULES APPROVED: JUNE 10, 1997

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW:

JANUARY 3, 1997

If any person decides to appeal any decision of the Commission with respect to any matter considered at the rulemaking hearing, if held, a record of the hearing is necessary. The appellant must ensure that a verbatim record, including testimony and evidence forming the basis of the appeal is made. The Commission usually makes a verbatim record of rulemaking hearings.

Any person requiring some accommodation at this hearing because of a physical impairment should call the Division of Records and Reporting at (904) 413-6770 at least five calendar days prior to the hearing. If you are hearing or speech impaired, please contact the Florida Public Service Commission using the Florida Relay Service, which can be reached at: 1-800-955-8771 (TDD).

1 RULES OF THE FLORIDA PUBLIC SERVICE COMMISSION

2 RULES GOVERNING PREPAID CALLING SERVICES

3 Part XVI

4  
5 25-24.900 Scope and Waiver

6 25-24.905 Terms and Definitions

7 25-24.910 Certificate of Public Convenience and Necessity

8 Required

9 25-24.915 Tariffs or Price Lists

10 25-24.920 Standards for Prepaid Calling Services and Consumer

11 Disclosures

12 25-24.925 Refunds

13 25-24.930 Adequacy of Service

14 25-24.935 Discontinuation of Service

15 25-24.940 Penalties

16  
17 RULES GOVERNING PREPAID CALLING SERVICES

18 25-24.900 Scope and Waiver.

19 (1) This part applies to companies using their own or resold  
20 telecommunications networks to provide prepaid calling services  
21 (PPCS).

22 (2) A company that offers for sale PPCS may petition for a  
23 waiver for any provision of this Part pursuant to Chapter 120.  
24 The Commission may grant a waiver to the extent that it determines  
25 that it is consistent with the public interest to do so. The

CODING: Words underlined are additions; words in  
~~struck-through~~ type are deletions from existing law.

1 Commission may grant the petition in whole or part, may limit the  
2 waiver to certain geographic areas, or may impose reasonable  
3 alternative regulatory requirements on the petitioning company.  
4 In disposing of a petition, the Commission may consider:  
5 (a) The factors enumerated in Section 364.337(4), Fla.  
6 Statutes:  
7 (b) The extent to which competitive forces may serve the same  
8 function as, or obviate the necessity for, the provision sought to  
9 be waived; and  
10 (c) Alternative regulatory requirements for the company which  
11 may serve the purposes of this Part.  
12 (3) Prepaid calling services provided without compensation  
13 are exempt from Part XVI.  
14 Specific Authority: 350.127(2), F.S.  
15 Law Implemented: 364.01, 364.19, 364.337(4), F.S.  
16 History: New  
17  
18 25-24.905 Terms and Definitions.  
19 For purposes of this part, the definitions to the following terms  
20 apply:  
21 (1) "Company" means any entity providing prepaid calling  
22 services using its own or resold telecommunications network to  
23 provide prepaid calling services.  
24 (2) "Conversation time" is the time when two-way  
25 telecommunications is possible.

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1 (3) "Prepaid Calling Services (PPCS)" means any prepaid  
2 telecommunications service that allows end users to originate  
3 calls through an access number and authorization code, whether  
4 manually or electronically dialed.

5 (4) "Prepaid Calling Card" or "Card" means any object  
6 containing an access number and authorization code that enables an  
7 end user to use PPCS.

8 Specific Authority: 350.127(2), F.S.

9 Law Implemented: 364.01, 364.03, 364.051, 364.335, 364.337(4) F.S.

10 History: New

11  
12 25-24.910 Certificate of Public Convenience and Necessity  
13 Required.

14 A company shall not provide PPCS without first obtaining a  
15 certificate of public convenience and necessity as a local  
16 exchange company, alternative local exchange company, or  
17 interexchange company. The name used as the provider of PPCS  
18 printed on the prepaid calling card shall appear identical to the  
19 name in which the certificate is issued. If "doing business as"  
20 names are used, the names must be registered as fictitious names  
21 with the Florida Division of Corporations and the certificate must  
22 reflect the names prior to the names being used. The "doing  
23 business as" names are considered to be the certificated name.

24 Specific Authority: 350.127(2), F.S.

25 Law Implemented: 364.33, 364.335, 364.337(4) F.S.

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struck-through type are deletions from existing law.



1 History: New

2

3 25-24.915 Tariffs and Prices Lists.

4 (1) This section applies to all companies as defined in 25-  
5 24.905(1), regardless of certificate type or other tariff or price  
6 list requirements.

7 (2) Each company shall file a tariff or price list for PPCS.

8 (3) Each company shall include in its tariff or price list  
9 the following information:

10 (a) Maximum amount a person will be charged per minute for  
11 PPCS, and

12 (b) Applicable surcharges.

13 Specific Authority: 350.127(2), F. S.

14 Law Implemented: 364.04, 364.051, 364.057, 364.08, 364.09,

15 364.10, 364.19, 364.27, 364.337, F.S.

16 History: New

17

18 25-24.920 Standards For Prepaid Calling Services and Consumer  
19 Disclosure.

20 (1) The following information shall be legibly printed on the  
21 card:

22 (a) The Florida certificated name clearly identified as the  
23 provider of the PPCS;

24 (b) Toll-free customer service number;

25 (c) Toll-free Network access number; and

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1 (d) Authorization code, if required to access service.  
2 (2) Each company shall legibly display the following  
3 information either on the card, packaging, or in a prominent area  
4 at the point of sale of the PPCS in such a manner that the  
5 consumer may make an informed decision prior to purchase:  
6 (a) Maximum charge per minute for PPCS;  
7 (b) Applicable surcharges; and  
8 (c) Expiration policy, if applicable  
9 (3) Each company shall provide through its customer service  
10 number the following information:  
11 (a) Certificate number;  
12 (b) Rates and surcharges;  
13 (c) Balance of use in account; and  
14 (d) Expiration date or period, if any.  
15 (4) Each company shall provide a live operator to answer  
16 incoming calls 24 hours a day, 7 days a week or shall record end  
17 user complaints. A combination of live operators or recorders may  
18 be used. If a recorder is used, the company shall attempt to  
19 contact each complainant no later than the next business day  
20 following the date of the recording.  
21 (5) The rates displayed in accord with paragraph (2) above  
22 shall be reflected in the tariff or price list for PPCS.  
23 (6) A company shall not reduce the value of a card by more  
24 than the charges printed on the card, packaging, or visible  
25 display at the point of sale. The service may, however, be

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1 recharged by the consumer at a rate higher than the rate at  
2 initial purchase or last recharge. The higher rate and surcharges  
3 shall be no more than the rates and surcharges in the tariff or  
4 price list and the consumer shall be informed of the higher  
5 charges at the time of recharge.

6 (7) The billing increment shall not exceed one minute.

7 (8) Each company shall only charge for conversation time plus  
8 applicable surcharges.

9 (9) Conversation time of less than a full minute shall not be  
10 rounded up beyond the next full minute.

11 (10) Cards without a specific expiration period printed on the  
12 card, and with a balance of service remaining, shall be considered  
13 active for a minimum of one year from the date of first use, or if  
14 recharged, from the date of the last recharge.

15 (11) If PPCS are sold without a card or printed material,  
16 tariffed charges and surcharges shall be disclosed at the point of  
17 sale.

18 Specific Authority: 350.127(2), P.S.

19 Law Implemented: 364.01, 364.03, 364.19 P.S.

20 History: New

21

22 25-24.925 Refunds.

23 (1) Each company shall have a refund policy that meets the  
24 following minimum requirements:

25 (a) For PPCS that are rendered unusable for reasons beyond

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1 the consumer's control, and have not exceeded the expiration  
2 period, each company shall provide a refund equal to the value  
3 remaining in the account.

4 (b) Refunds may be cash or replacement service, at the  
5 company's option, but must be made to the end user within 60 days  
6 of notification by the end user.

7 (2) Each company may, but shall not be required, to provide a  
8 refund when a card has been lost or stolen.

9 Specific Authority: 350.127(2), F.S.

10 Law Implemented: 364.01, 364.12, F.S.

11 History: New

12

13 25-24.930 Adequacy of Service.

14 Each company shall ensure that:

15 (1) A minimum of 95 percent of all call attempts shall be  
16 completed to the called party. Station busies will be counted as  
17 completed calls.

18 (2) A minimum of 95 percent of all call attempts shall be  
19 completed to a company's toll-free customer service number.  
20 Station busies will not be counted as completed calls.

21 (3) A minimum of 97 percent (allowing for a one-second  
22 variation) timing accuracy of conversation time shall be achieved.

23 Specific Authority: 350.127(2), F.S.

24 Law Implemented: 364.01, 364.12, F.S.

25 History: New

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1 25-24.935 Discontinuance of Service.

2 A company shall be responsible for ensuring, either through its  
3 contracts with its distributors or marketing agents, or other  
4 means, that end user purchased cards remain usable in accord with  
5 Rule 25-24.920(10).

6 Specific Authority: 350.127(2), F.S.

7 Law Implemented: 364.01, 364.19, F.S.

8 History: New

9

10 25-24.940 Penalties.

11 The Commission shall impose penalties of not less than \$1,000  
12 upon a finding that an uncertificated company has provided PPCS  
13 within the state of Florida.

14 Specific Authority: 350.127 (2) F.S.

15 Law Implemented: 364.285 F.S.

16 History: New

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