BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation and determination of method to credit access flow-through reductions by MCI WorldCom Communications, Inc. and TTI National, Inc., as required by Section 364.163, F.S.

DOCKET NO. 001411-TI
ORDER NO. PSC-01-0993-PAA-TI
ISSUED: April 20, 2001

The following Commissioners participated in the disposition of this matter:

E. LEON JACOBS, JR., Chairman
J. TERRY DEASON
LILA A. JABER
BRAULIO L. BAEZ
MICHAEL A. PALECKI

NOTICE OF PROPOSED AGENCY ACTION ORDER ACCEPTING PROPOSED RATE REDUCTION PLAN

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.

By proposed agency action Order No. PSC-00-2139-PAA-TI, issued November 8, 2000, we approved the Amended Offer of Settlement proposed by the WorldCom Operating Companies. As a part of that approved settlement, MCI WorldCom Communications, Inc. (Worldcom) would reduce the rates for its WorldOne product line by an amount necessary to return to customers \$741,328, plus interest, plus an additional amount necessary to bring the total reduction to \$1,482,656. Consummating Order No. PSC-00-2303-CO-TI made Order No. PSC-00-2139-PAA-TI effective and final on December 4, 2000.

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On March 6, 2001, we received the WorldCom Operating Companies' first quarterly refund/rate reduction status report pursuant to Order No. PSC-00-2139-PAA-TI. That report reflected that \$35,785 of the required \$1,482,656 flow-through had been accomplished. On March 15, 2001, however, we received correspondence from WorldCom Operating Companies advising us that the rate reductions required in our Order can not be achieved based on the current minutes-of-use (MOU) sales of the WorldOne product line.

To overcome this problem, the company proposed to extend the flow-through rate reductions to two other business products, in addition to the WorldOne product. The two business products are Intelenet and Easyanswer. Intelenet is a full service product providing customers with a communications package that includes local, long distance, Internet, voice mail, calling card, enhanced fax, conference calling, and private line services. Easyanswer is a standard long distance legacy voice product. Both products are provided to existing customers only and neither product is available to new customers.

WorldCom proposed to initially apply approximately 34% of the remaining flow-through to its WorldOne product. The Intelenet and Easyanswer products would initially be reduced by amounts ranging from 55%-85%. Through its monitoring efforts, the company proposes to adjust the rates as needed to complete the flow-through by February 2002.

Accordingly, we hereby accept the flow-through rate reductions proposed by WorldCom All reporting requirements and completion schedules shall remain the same as provided in Order No. PSC-00-2139-PAA-TI.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the flow-through rate reductions proposed by MCI WorldCom Communications, Inc., as reflected in the body of this Order, are hereby accepted. All reporting requirements and reporting schedules shall remain the same as provided in Order No. PSC-00-2139-PAA-TI. It is further

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ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, 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 this Docket shall remain open pending the completion of the requirements of Order No. PSC-00-2139-PAA-TI.

By ORDER of the Florida Public Service Commission this <u>20th</u> Day of <u>April</u>, <u>2001</u>.

BLANCA S. BAYÓ, Director (

Division of Records and Reporting

(SEAL)

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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 that is available under Section 120.57, 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 will be granted or result in the relief sought.

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Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, 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 May 11, 2001.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

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.