ORIGINAL

DOCKET NO. 010774-TP

CERTIFICATION OF

PUBLIC SERVICE COMMISSION ADMINISTRATIVE RULES

FILED WITH THE

DEPARTMENT OF STATE

I do hereby certify:

- /x/ (1) That all statutory rulemaking requirements of Chapter 120, F.S., have been complied with; and
- /x/ (2) There is no administrative determination under subsection 120.56(2), F.S., pending on any rule covered by this certification; and
- /x/ (3) All rules covered by this certification are filed within the prescribed time limitations of paragraph 120.54(3)(e), F.S. They are filed not less than 28 days after the notice required by paragraph 120.54(3)(a), F.S., and;
- // (a) Are filed not more than 90 days after the notice;
 or
- // (b) Are filed not more than 90 days after the notice
 not including days an administrative determination was pending;
 or
- /x/ (c) Are filed more than 90 days after the notice, but not less than 21 days nor more than 45 days from the date of publication of the notice of change; or
 - // (d) Are filed more than 90 days after the notice, but DOCUMENT NUMBER-DATE

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not less than 14 nor more than 45 days after the adjournment of the final public hearing on the rule; or

- // (e) Are filed more than 90 days after the notice, but
 within 21 days after the date of receipt of all material
 authorized to be submitted at the hearing; or
- // (f) Are filed more than 90 days after the notice, but
 within 21 days after the date the transcript was received by this
 agency; or
- // (g) Are filed not more than 90 days after the notice, not including days the adoption of the rule was postponed following notification from the Joint Administrative Procedures Committee that an objection to the rule was being considered; or
- // (h) Are filed more than 90 days after the notice, but within 21 days after a good faith written proposal for a lower cost regulatory alternative to a proposed rule is submitted which substantially accomplishes the objectives of the law being implemented; or
- // (i) Are filed more than 90 days after the notice, but
 within 21 days after a regulatory alternative is offered by the
 small business ombudsman.

Attached are the original and two copies of each rule covered by this certification. The rules are hereby adopted by the undersigned agency by and upon their filing with the Department of State.

Rule No.

25-24.491

Under the provision of subparagraph 120.54(3)(e)6., F.S., the rules take effect 20 days from the date filed with the Department of State or a later date as set out below:

Effective:			
	(month)	(day)	(year)

BLANCA S. BAYÓ, Director Division of the Commission Clerk and Administrative Services

Number of Pages Certified

(S E A L)

MCB

The Manual of the State of the

25-24.491 Notice to Customers Prior to Increase in Rates or Charges

.1 :

- (1) All interexchange telecommunications companies shall provide reasonable notice of any increase in intrastate telecommunications rates, or any changes in terms or conditions that would cause an increase in customer charges, to each of their affected residential and single-line business retail subscribers, prior to implementation of the increase.
- (2) The notice shall be clear and conspicuous, shall be identified with the heading: "Notice of Price Increase," or "Notice of Price Change," if the change will result in a price increase for some customers and a price decrease for some customers, and shall be presumed reasonable if provided in any of the following manners:
- a) First class mail postmarked at least 15 days prior to the effective date of the increase in rates or charges to the customer;
- b) A bill insert or bill message mailed to the customer no later than one billing cycle prior to the effective date of the increase in rates or charges to the customer;
- c) For those customers who have elected to receive electronic billing, an electronic message sent at least 7 days prior to the effective date of the increase in rates or charges to the customer; or
- d) Pursuant to a written contract that specifically and conspicuously prescribes a method for notice of price increases.
- 24 | Specific authority: 350.127; 364.0252; 364.19, F.S.
- 25 | Law implemented: 364.0252; 364.19, F.S.

CODING: Words <u>underlined</u> are additions; words in struck through type are deletions from existing law.

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SUMMARY OF RULE

The proposed rule requires that interexchange telecommunications companies give reasonable prior notice to their customers of any increase in price or changes in terms and conditions of service that would increase the customers' cost of service. The proposed rule provides flexibility in the way such notice may be given and also provides circumstances in which the notice will be presumed reasonable.

SUMMARY OF HEARINGS ON THE RULE

The American Association of Retired Persons (AARP) and JAPC submitted comments on the proposed rule adoption. The Commission considered the comments at its January 21, 2002, agenda conference. The Commission declined to accept AARP's comments, but changed the rule to address JAPC's comments. The Notice of Change appeared in the February 7, 2003, FAW.

FACTS AND CIRCUMSTANCES JUSTIFYING THE RULE

The Office of Public Counsel petitioned the Commission to initiate rulemaking. The Commission's Division of Consumer Affairs had documented interexchange carriers who have raised rates without prior notice to their customers. Material provided by the Office of Public Counsel indicates that other states have also experienced this problem and are addressing it by state

statutes or rules. Without prior notice of price changes, customers cannot adjust their consumption or seek a lower cost provider of service. The proposed rule requires interexchange companies to provide such notice.