

REQUEST TO ESTABLISH DOCKET
(Please Type)

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|--------------|-----------|--------------------|-----------|
| Date: | 9/21/2004 | Docket No.: | 01113 -TL |
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| 2. OPR: | Cmp |
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| 3. OCR: | Gcl, Ecr |
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| 4. Suggested Docket Title: | Compliance investigation of Sprint-Florida, Incorporated regarding rebate required by Order No. PSC-03-0733-PAA-TL, issued on June 19, 2003. |
|-----------------------------------|--|

5. Suggested Docket Mailing List (attach separate sheet if necessary)

A. Provide NAMES OR ACRONYMS ONLY if a regulated company.

B. Provide COMPLETE NAME AND ADDRESS for all others. (Match representatives to companies.)

1. Parties and their representatives (if any):

| | |
|--------------------------------------|--|
| Sprint-Florida, Incorporated (TL727) | |
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2. Interested persons and their representatives (if any):

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6. Check one:

Documentation is attached.

Documentation will be provided with recommendation.

DOCUMENT NUMBER-DATE
10228 SEP 22 3
Document2
FPSC-COMMISSION CLERK

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: September 20, 2004
TO: Rick Moses, Division of Competitive Markets & Enforcement
FROM: Andrew L. Maurey, Division of Economic Regulation
RE: Docket No. TBD, Sprint Florida, Interest Calculation on Rebates Due Under the Service Guarantee Program

ALM
JOS

Per your request, staff has calculated the interest on the rebates due under Sprint Florida's Service Guarantee Program. The total refund amount of \$286,561.69 consists of \$285,075.00 in rebates and \$1,486.69 in interest. This calculation assumes that the rebates accrued in discreet monthly amounts from February 2004 through August 2004 as reflected on the attached schedule and that the refund will be completed by September 30, 2004. The appropriate interest rate is the average 30-day commercial paper rate for each month. The last available monthly interest rate of 1.535% is used for future months beyond August 2004. Attached is a schedule that shows the calculation.

The calculation discussed above is based on the total amount collected each month under the Service Guarantee Program that is subject to refund. In discussions with representatives of Sprint Florida, the Company plans to refund the rebates plus interest on a per customer basis. Due to rounding, there is a \$17.27 difference between the total amount due indicated by the monthly balance approach discussed above and the total amount due based on the per customer approach. The balance of the refund amounts due to customers that cannot be located will be credited to the Lifeline Fund. Staff recommends that Sprint Florida add the incremental amount of \$17.27 to the amount it credits to the Lifeline Fund.

cc: Office of General Counsel
Commission Clerk & Administrative Services
File

2004 SEP 20 PM 4:14
DIVISION OF
COMPETITIVE SERVICES

INTEREST ON REBATES
DOCKET NO. (TO BE DETERMINED)
SPRINT FLORIDA

| MONTH | AVERAGE MONTHLY INTEREST RATE | MONTHLY INTEREST FACTOR | MONTHLY OVERCHARGES | MONTHLY OVERCHG INTEREST | MONTHLY OVERCHARGE PRINCIPAL AND INTEREST | BALANCE BROUGHT FORWARD PLUS INTEREST | REFUND BALANCE | MONTHLY REFUND | |
|---------------|-------------------------------|-------------------------|---------------------|--------------------------|---|---------------------------------------|----------------|----------------|--------------|
| FEB 04 | 1.01% | 0.08% | \$34,450.00 | \$28.85 | \$34,478.85 | \$0.00 | \$34,478.85 | | |
| MAR | 0.98% | 0.08% | \$37,575.00 | \$30.69 | \$37,605.69 | \$34,507.01 | \$72,112.70 | | |
| APR | 1.01% | 0.08% | \$31,500.00 | \$26.38 | \$31,526.38 | \$72,173.09 | \$103,699.47 | | |
| MAY | 1.04% | 0.09% | \$23,325.00 | \$20.12 | \$23,345.12 | \$103,788.91 | \$127,134.03 | | |
| JUN | 1.19% | 0.10% | \$47,875.00 | \$47.28 | \$47,922.28 | \$127,259.57 | \$175,181.85 | | |
| JUL | 1.40% | 0.12% | \$80,350.00 | \$93.74 | \$80,443.74 | \$175,386.23 | \$255,829.97 | | |
| AUG | 1.54% | 0.13% | \$30,000.00 | \$38.38 | \$30,038.38 | \$256,157.22 | \$286,195.60 | | |
| SEPT | 1.54% | 0.13% | \$0.00 | \$0.00 | \$0.00 | \$286,561.69 | (\$0.00) | \$286,561.69 | |
| TOTAL REBATES | | | \$285,075.00 | | | | | \$286,561.69 | |
| | | | | | | | | TOTAL INTEREST | \$1,486.69 |
| | | | | | | | | TOTAL REBATES | \$285,075.00 |
| | | | | | | | | TOTAL REFUND | \$286,561.69 |

| MONTH | AMOUNT PER CUSTOMER | ACCOUNTS PER MONTH | REFUND PER MONTH | INCREMENTAL DIFFERENCE |
|-------|---------------------|--------------------|------------------|------------------------|
| FEB | \$25.20 | 1378 | \$34,725.60 | |
| MAR | \$25.18 | 1503 | \$37,845.54 | |
| APR | \$25.16 | 1260 | \$31,701.60 | |
| MAY | \$25.14 | 933 | \$23,455.62 | |
| JUN | \$25.12 | 1915 | \$48,104.80 | |
| JUL | \$25.09 | 3214 | \$80,639.26 | |
| AUG | \$25.06 | 1200 | \$30,072.00 | |
| TOTAL | | 11403 | \$286,544.42 | (\$17.27) |