

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Investigation into the ) DOCKET NO. 921280-TL  
depooling of IntraLATA ) ORDER NO. PSC-93-0306-FOF-TL  
interexchange Private Line ) ISSUED: 02/25/93  
Service. )  
\_\_\_\_\_ )

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman  
THOMAS M. BEARD  
SUSAN F. CLARK  
JULIA L. JOHNSON  
LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION  
ORDER REGARDING DEPOOLING INTRALATA  
INTEREXCHANGE PRIVATE LINE SERVICE

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 adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

On January 22, 1993, BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company (Southern Bell or the Company) filed a plan for the depooling of intraLATA interexchange private line service. The plan calls for depooling by all local exchange companies (LECs), effective January 1, 1993. The Company does not propose the establishment of a subsidy pool for those LECs which experience a loss in going to bill and keep. GTE Florida Incorporated (GTEFL) was removed from the pool, effective January 1, 1993, as part of its rate case.

Central Telephone Company of Florida (Centel) and United Telephone Company of Florida (United) have expressed concern about the loss they may experience and have requested that we approve some form of offset before they go to bill and keep. If depooling is approved, Centel estimates that its revenue loss for 1993 will be \$2,473,573. United estimates that its loss will be approximately \$5,000,000 as a result of depooling. Both Centel and United are currently in the process of better estimating losses and preparing a specific plan for offsets. Under the circumstances, Southern Bell, Centel and United shall continue in the intraLATA interexchange private line pool.

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PSC-RECORDS/REPORTING

ALLTEL Florida, Inc. (ALLTEL), Florala Telephone Company Inc. (Florala), Gulf Telephone Company (Gulf), Indiantown Telephone System, Inc. (Indiantown), Northeast Florida Telephone Company, Inc. (Northeast), Quincy Telephone Company (Quincy), St. Joseph Telephone & Telegraph Company (St. Joe), Southland Telephone Company (Southland), and Vista-United Telecommunications (Vista-United) have asked that they be removed from the intraLATA interexchange private line pool, effective January 1, 1993, without any offsets for losses incurred as a result of going to bill and keep other than that the losses be considered in any current earnings dockets. We find this to be appropriate.

Of the foregoing LECs, six expect to experience a loss and have agreed that no subsidy is necessary as an offset. Vista-United expects a de minimus gain. Gulf and St. Joseph will experience a significant increase in revenue as the result of going to bill and keep and the implementation of Phase III of Special Access. The disposition of Gulf's and St. Joseph's revenue increase are addressed below.

In going to bill and keep, Gulf is expected to experience an increase in revenues of \$9,763. In its modified minimum filing requirement (MMFR) docket, Gulf was ordered to reduce its BHMOC rate from \$4.50 to \$4.15. The reduction was to be implemented at some future time when it could be combined with other access reductions. With the additional \$9,763, Gulf can further reduce its BHMOC rate. The approximate additional decrease in the BHMOC rate would be \$0.18. Upon review, we find it appropriate for Gulf to apply its increase in revenues to reduce its BHMOC rate. Gulf shall file a tariff with the reduced BHMOC rate by March 9, 1993, to go into effect without further Commission review on March 30, 1993.

In going to bill and keep, St. Joe is expected to experience an increase in revenues of \$87,455. In St. Joe's MMFR docket, rates were set based on an estimate of 1993 earnings. In setting rates, the increase in revenue from bill and keep and Phase III of Special Access was not considered. In that docket, St. Joe's reduced its MTS rates, effective January 1, 1993. However, the MTS rates were not lowered to the level of most other LECs. Thus, the increase in revenues from going to bill and keep and Phase III of Special Access shall be applied to further reduce St. Joe's MTS rates. St. Joe shall file a tariff with the reduced MTS rates by March 9, 1993, to go into effect on March 30, 1993, without further Commission review

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Based upon the foregoing it is

ORDERED that BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company's Plan for Depooling is hereby approved in part and denied in part as set forth in the body of this Order. It is further

ORDERED that ALLTEL Florida, Inc., Florala Telephone Company, Inc., Gulf Telephone Company, Indiantown Telephone System, Inc., Northeast Florida Telephone Company, Inc., Quincy Telephone Company, St. Joseph Telephone & Telegraph Company, Southland Telephone Company, and Vista-United Telecommunications shall be removed from the intraLATA interexchange private line pool, effective January 1, 1993. It is further

ORDERED that Southern Bell, Central Telephone Company of Florida and United Telephone Company of Florida shall continue to pool until the losses by Centel and United can be addressed by the Commission. It is further

ORDERED that Gulf shall reduce its Busy Hour Minute of Capacity (BHMOC) by \$9,763. Tariffs shall be filed by March 9, 1993, and shall go into effect without further Commission consideration on March 30, 1993. It is further

ORDERED that St. Joe shall reduce its message telephone service (MTS) rates by \$87,455. Tariffs shall be filed by March 9, 1993, and go into effect without further Commission review on March 30, 1993. It is further

ORDERED that this Docket shall remain open. A protest to one element of this PAA Order shall not preclude other elements of the PAA Order from becoming final.

By ORDER of the Florida Public Service Commission this 25th day of February, 1993.

STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )  
CWM

by: Kay Flynn  
Chief, Bureau of Records

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on March 18, 1993.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

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.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water 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 of the effective date 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.