

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Determination of ) DOCKET NO. 940543-TI  
appropriate method of refund for ) ORDER NO. PSC-94-0800-FOF-TI  
overcharges by SOUTHERNNET, INC. ) ISSUED: June 28, 1994  
d/b/a TELECOM\*USA on intrastate )  
long distance calls placed from )  
pay telephones. )  
\_\_\_\_\_)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman  
SUSAN F. CLARK  
JULIA L. JOHNSON  
DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION  
ORDER REQUIRING REFUND

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.

During an investigation of London Communications (Docket 931041-TC), we found that Southernnet, Inc. d/b/a Telecom\*USA (Telecom) was overcharging its pay telephone customers. In Order No. 24101, issued February 14, 1991, the Commission reduced, effective June 1, 1993, the set use fee on zero-plus (0+) intraLATA and interLATA calls from \$1.00 to \$.25. Telecom's overbilling appears to be a result of the company continuing to bill the \$1.00 set use fee on 59,402 intrastate calls. These calls occurred between June 14, 1993, and March 15, 1994. The overbilling totaled \$44,551.50. When we informed Telecom of the overbilling, the company acknowledged its error, cooperated with our staff, and corrected the problem.

DOCUMENT NUMBER-DATE

06384 JUN 28 1994

FPSC-RECORDS/REPORTING

ORDER NO. PSC-94-0800-FOF-TI  
DOCKET NO. 940543-TI  
PAGE 2

We find, and Telecom agrees, that the company should be required to refund the overbilled amount, plus interest, to its customers. The total amount overbilled was \$44,551.50. Interest, calculated pursuant to Rule 25-4.114(4), Florida Administrative Code, Refunds, was \$1,221.16. Therefore, Telecom is required to refund \$45,772.66 to its customers. To accomplish the refund, Telecom will eliminate the \$.25 set use fee on 183,090 future zero-plus intrastate toll calls placed from pay telephones. Eliminating the fee for 183,090 calls will give the refund to the Telecom customers. Telecom estimates the refund process will take about 35 days.

We considered requiring a direct refund to the actual customers who were overcharged but find this general refund to be appropriate. The overcharged calls were billed to credit cards so it might be possible to identify the customer billed for each of the 59,402 calls during the time the overcharging took place. If the customers could be identified, it would require a separate refund to each of them and would be costly and time-consuming for both our staff and the utility. Telecom might not be able to locate all of the customers, refund checks might be delayed or returned by the post office. We would have to keep this docket open longer and determine what amount was not actually refunded to a specific customer and what should be done with any such amount. The method of refund we adopt here will effectively compensate future pay telephone customers who place long distance calls carried by Telecom. The process will be completed quickly and the exact amount overcharged to the public will be refunded.

Since refunds are not being made to specific customers, we must verify that Telecom has reduced its rates for the specified number of calls. Therefore, Telecom must provide evidence, in the form of billing records, that the rate reduction was implemented for at least 183,090 intrastate calls within 30 days of the date the entire amount has been refunded.

Order No. PSC-93-0896-AS-TP, issued June 14, 1993, required local exchange companies to file appropriate tariff revisions but did not place the same requirement on interexchange carriers. However, a memorandum from our Division of Communications detailing the terms of that Order was mailed to all interexchange carriers. This memorandum stated in part "As a result of the settlement, all operator service providers (OSPs) providing operator services to pay telephone providers will need to revise their tariffs to reflect the new rates to become effective June 1, 1993." Telecom

ORDER NO. PSC-94-0800-FOF-TI  
DOCKET NO. 940543-TI  
PAGE 3

should have already revised its tariffs to reflect the elimination of the up to \$1.00 surcharge it was previously allowed to bill on 0- and 0+ interLATA calls and replacing it with an optional \$.25 set use fee.

We considered imposing a fine against Telecom for its failure to revise its tariff. However, upon review of the tariff pages of several long distance providers known to provide operator services, it appears that several others have also not made the appropriate revisions. We are reviewing the tariff filings of all interexchange carriers providing operator services in order to determine if tariff filings are up to date. Therefore, we choose not to impose any penalty at this time.

Telecom shall revise its tariff pages to remove the up to \$1.00 surcharge it was formerly allowed to bill on 0- and 0+ interLATA calls.

When Telecom has complied with all the terms of this Order and supplied us with proof of compliance, this docket may be closed without further Commission action.

It is, therefore,

ORDERED by the Florida Public Service Commission that Southernnet, Inc. d/b/a Telecom\*USA shall refund \$45,772.66 to its customers. It is further

ORDERED that Telecom\*USA shall refund this amount by eliminating the \$.25 set use fee on 183,090 future zero-plus (0+) intrastate toll calls placed from pay telephones. It is further

ORDERED that Telecom\*USA must begin this refund process within 30 days after this Order becomes final. It is further

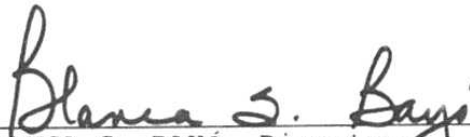
ORDERED that within 30 days after the refund is complete, Telecom\*USA shall provide proof, in the form of billing records, that the set use fee was eliminated on 183,090 calls. It is further

ORDERED that Telecom\*USA shall revise its tariff to eliminate the \$1.00 surcharge on 0- and 0+ interLATA calls and replace it with an optional \$.25 set use fee. It is further

ORDERED that when Telecom\*USA provides proof of compliance with all the conditions stated in this Order, this docket shall be closed.

ORDER NO. PSC-94-0800-FOF-TI  
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PAGE 4

By ORDER of the Florida Public Service Commission, this 28th  
day of June, 1994.



BLANCA S. BAYÓ, Director  
Division of Records and Reporting

( S E A L )

LMB

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 her office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on July 19, 1994.

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.

ORDER NO. PSC-94-0800-FOF-TI  
DOCKET NO. 940543-TI  
PAGE 5

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.

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