

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for approval of) DOCKET NO. 960038-TL
tariff filing to clarify) ORDER NO. PSC-96-0530-FOF-TL
blocking of specific calls) ISSUED: April 15, 1996
related to the Advanced Credit)
Management tariff by GTE Florida)
Incorporated. (T-95-743 filed)
11/16/95))
_____)

The following Commissioners participated in the disposition of this matter:

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

ORDER DENYING TARIFF

BY THE COMMISSION:

By Order No. PSC-95-0588-FOF-TL, issued May 11, 1995, we granted GTE Florida Incorporated (GTEFL) an exemption from Rule 25-4.113, Florida Administrative Code, from May 1, 1995 until April 30, 1996, in order to implement its Advanced Credit Management (ACM) program. ACM establishes limits on residential and small business (B-1) customers' toll use and allows GTEFL to block 1+, 0+, and all 900/976/700 calls when a customer exceeds the assigned limit. ACM has three credit levels: low, medium and high. A low risk customer has unlimited toll credit, a medium risk customer has a \$300 toll credit limit and a high risk customer has a \$200 credit limit. The limits are set based on credit reports issued by an outside consumer credit reporting agency. When a customer exceeds his or her toll limit, a five working day notice is sent. After the five day period, access to 1+ and 0+ calls are automatically blocked unless the customer pays the amount over the toll limit plus 50% of the account credit limit.

By Order No. PSC-95-0588A-FOF-TL, issued August 8, 1995, we amended Order No. PSC-95-0588-FOF-TL to remove the language that stated "Customers will not be allowed to dial 10XXX access codes to reach an alternative carrier once service has been blocked." Blocking 10XXX calls was not included in the original tariff and should not have been included in the initial order.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

On November 16, 1995, GTEFL filed a tariff to add additional types of calls to those blocked under the terms of the ACM program. Under this tariff, GTEFL proposed to block all 0+, 1+900/976/700, Customer Abbv. Dialing (#NXX), DDD 1+, 1+555-1212, 1+NPA+555-1212, 1DDD+01+, 1DDD+011, 10XXX+1+, 10XXX+011+, and 101XXXX+011+ calls.

We deny the tariff. Section 364.051(2)(c), Florida Statutes (1995), requires local exchange companies (LECs) that elect price regulation to provide basic local telecommunications service. Section 364.02(2), Florida Statutes, requires price regulated LECs to provide access to all locally available interexchange companies (IXCs) as part of basic local telecommunications service. Pursuant to these statutory provisions, GTEFL, a price regulated LEC, must provide access to all locally available IXCs. All IXCs can be accessed by a 10XXX code. Many, but not all, IXCs can be accessed by other dialing patterns, such as an 800 number.

The ACM program, as proposed, allows GTEFL to preclude its customers access to any other long distance provider simply because the customer has made more than an allotted number of toll calls. Under ACM, a customer whose account with GTEFL is in good standing, still has local service, but may be denied the one piece of his or her service that requires access to all locally available IXCs.

We have the authority to require or approve programs that limit or deny service if sufficient cause warrants it. Sufficient cause is nonpayment of telephone bills, not delinquency as reported by a third party for items unrelated to utility services. The customers affected by this tariff have not missed paying their monthly telephone bill. These customers have simply exceeded an arbitrary toll limit established by GTEFL. We do not believe GTEFL should be allowed to block these customers' access to all locally available IXCs when those customers have not missed paying their monthly bill. GTEFL's proposal would block access to some IXCs without sufficient cause. Since LECs must provide access to all locally available IXCs, GTEFL's proposal violates Section 364.051(2)(c), Florida Statutes.

During the Agenda Conferences when we considered this proposal, GTEFL indicated that IXCs were supportive of its tariff since it helped minimize their uncollectible debt. This may be true for IXCs that purchase billing and collection from GTEFL. However, if we allow the ACM tariff to be modified as proposed by GTEFL, some customers will not be able to reach an IXC that does not offer 800 access, even one that does not purchase GTEFL's billing and collection service. We do not believe this is a decision for GTEFL to make. The individual IXCs can determine which customers they wish to serve. If GTEFL's proposal is

approved, the company will become a sort of credit bureau for the entire long distance market. GTEFL will be able to make the determination of a customer's credit worthiness that will affect all long distance companies. If a customer is blocked from the access arrangements proposed in the tariff, he or she will not be able to access a long distance carrier that does not offer 800 access, whether or not that carrier has a relationship with GTEFL. With GTEFL entering the long distance market, and becoming another competitor in that market, we do not believe it appropriate for GTEFL to also be the "gatekeeper" for all of the competitors in the market. If an IXC or GTEFL has questions about a customer, they may get credit bureau reports and make a judgement whether a deposit is warranted, just like any other business. This is an individual relationship between the customer and the provider. We do not believe GTEFL should act as the clearinghouse in the manner proposed.

GTEFL also argued that if this tariff modification was not approved, it would leave a major loophole in the ACM program. We agree with GTEFL on this point but think other considerations outweigh this problem. GTEFL also stated that if the Commission denies this tariff, it would affect the company's ability to minimize its uncollectible debt. We disagree. GTEFL has many avenues available to deal with uncollectible debt, such as the ability to assess deposits. There is no reason to allow GTEFL to block access to all locally available IXCs just because someone has exceeded an arbitrary toll limit.

For the reasons outlined above, we do not believe this proposal is appropriate. Protecting consumers to the best of our ability in an environment of relaxed regulation of LEC operations is now a primary objective. We do not believe this proposal will provide any more protection for consumers. There are several options the IXCs and GTEFL can pursue apart from this tariff to curb their bad debt.

The tariff directly violates Section 364.051, Florida Statutes (1995). Further, GTEFL filed this tariff on November 16, 1995 before it elected price regulation. Since GTEFL filed its tariff before price regulation, we can also use our authority under Section 364.05, Florida Statutes (1993), to deny the tariff. Accordingly, the tariff is denied.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that GTE Florida Incorporated's tariff to add additional types of calls to those blocked under the terms of the Advanced Credit Management

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Program is denied for the reasons described in the body of this Order. It is further

ORDERED if no protest is filed within 21 days of the issuance of this Order, this Order shall become final and this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 15th day of April, 1996.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

by: Kay Dejean
Chief, Bureau of Records

(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 Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the action proposed files a petition for a formal proceeding, as provided by Rule 25-22.036(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a)(d) and (e), 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 6, 1996.

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In the absence of such a petition, this order shall become final on the day subsequent to the above date.

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 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 date this Order becomes final, 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.