

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Notice of election of
price regulation by ALLTEL
Florida, Inc.

DOCKET NO. 990224-TL
ORDER NO. PSC-99-0759-FOF-TL
ISSUED: April 20, 1999

The following Commissioners participated in the disposition of this matter:

JOE GARCIA, Chairman
J. TERRY DEASON
SUSAN F. CLARK
JULIA L. JOHNSON
E. LEON JACOBS, JR.

NOTICE OF PROPOSED AGENCY ACTION
ORDER ACKNOWLEDGING ELECTION OF PRICE REGULATION

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.

Section 364.051, Florida Statutes, provides that local exchange companies may elect price regulation. When a company elects price regulation, certain rates will be capped and the company will be allowed to revise rates only in accordance with the statute. On March 1, 1999, ALLTEL Florida, Inc. (ALLTEL) filed notification of election to become subject to price regulation effective immediately and subject to the provisions of Section 364.051, Florida Statutes.

With ALLTEL's election of price regulation effective March 1, 1999, its basic local telecommunications service rates should be capped effective March 1, 1999, pursuant to Section 364.051(2)(b), Florida Statutes. The rates for protected non-basic services should be capped at the rates in effect on July 1, 1995, pursuant to Section 364.051(6)(a), Florida Statutes. Network access

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services should be capped effective March 1, 1999, pursuant to Section 364.163(1), Florida Statutes.

Section 364.052, Florida Statutes, states that after July 1, 1996, a company subject to this section electing to be regulated pursuant to section 364.051, Florida Statutes, will have any overearnings attributable to a period prior to the date on which the company made the election subject to refund or other disposition by the Commission. Our staff plans to review the earnings of ALLTEL up through February 28, 1999, to determine the need for disposition of any overearnings.

Also, in Order No. PSC-95-0370-FOF-TL, Docket No. 950146-TL, issued March 15, 1995, we ordered, beginning January 1, 1995, that ALLTEL place \$1.353 million in annual revenues plus interest subject to further disposition by the Commission for the sole purpose of obtaining a ruling of the Federal Communications Commission (FCC) on the proper use of the 5% limit on change in the interstate allocation rule. The ruling by the FCC is still on appeal in Federal Court by several small LECs adversely affected by the ruling. We will address the disposition of the monies being held subject to refund after a final court decision on the FCC ruling is issued.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that ALLTEL Florida, Inc.'s election of price regulation effective March 1, 1999, is acknowledged. It is further

ORDERED that ALLTEL Florida, Inc.'s basic local telecommunications service rates shall be capped effective March 1, 1999. The rates for protected non-basic services shall be capped at the rates in effect on July 1, 1995. The rates for network access services shall be capped at rates in effect on March 1, 1999. It is further

ORDERED that if no person whose substantial interests are affected files a protest within 21 days of the issuance of this Order docket shall be closed.

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By ORDER of the Florida Public Service Commission this 20th
day of April, 1999.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

By: Kay Flynn
Kay Flynn, Chief
Bureau of Records

(S E A L)

MCB

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, 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 11, 1999.

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

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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 substantially 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.