

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of tariff filing to increase rates for charge accounts, foreign exchange listings, caller ID name, call return, repeat dialing, call waiting deluxe, and to eliminate multiple feature discount by Frontier Communications of the South, Inc. (T-00-0091 filed January 19, 2000)

DOCKET NO. 000104-TL
ORDER NO. PSC-00-0447-TRF-TL
ISSUED: March 2, 2000

The following Commissioners participated in the disposition of this matter:

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

ORDER APPROVING TARIFF FILING

BY THE COMMISSION:

On January 19, 2000, Frontier Communications of the South, Incorporated (Frontier or the Company) filed a tariff to increase the rates for Charge Accounts, Foreign Exchange Listings, Caller ID Name, Call Return, Repeat Dialing, Call Waiting Deluxe, and to eliminate the multiple feature discount. The company is also seeking approval of this tariff filing to bring the rates for the Florida exchanges into parity with the rates for the company's Alabama exchanges. Frontier is still rate base regulated. The company requested an effective tariff date of February 20, 2000.

This filing proposes to increase the rate for maintaining the services for Charge Accounts from \$1.80 to \$2.50, which is a flat, minimum monthly charge in addition to whatever other charges may be on the account. Charge Accounts are unassigned telephone numbers used to provide customers who desire this service a special billing account with the telephone company. Currently, there are no customers utilizing this service.

DOCUMENT NUMBER-DATE

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ORDER NO. PSC-00-0447-TRF-TL
DOCKET NO. 000104-TL
PAGE 2

Also, this filing proposes to increase the monthly charge for "800" type foreign exchange listings in the white pages of the telephone directory from \$1.75 to \$3.00, billable and payable for the entire 12-month directory life, by the time of publication. Currently, there are two customers utilizing this service.

Further, this filing proposes to increase the rates for Caller ID Name, Call Return, Repeat Dialing and Call Waiting Deluxe. The increased monthly charges for these services are \$7.00, \$3.50, \$3.50, and \$3.50, respectively. The Anonymous Call Rejection feature is now included with the Caller ID Name feature. Therefore, the \$3.00 monthly charge for Anonymous Call Rejection has been eliminated. The minimum and maximum ranges for rates for Basic and Advanced custom calling features are \$.30 to \$11.00. The actual rates for the Basic and Advanced custom calling services proposed in this tariff filing range from \$2.50 to \$7.00.

Finally, this filing proposes to eliminate the multiple feature discount and offer feature packages at a discount. The monthly rate bands for feature packages range from a minimum of \$.50 to a maximum of \$25.00. The actual rates range from a minimum of \$9.95 to a maximum of \$17.95.

Based on the annual revenue impact information provided by Frontier, we estimate annual revenue attributable to this tariff action to be \$15,201. The company's Earnings Surveillance Report indicates that on June 30, 1999, Frontier had an achieved Return on Equity (ROE) of -10.94%. This tariff filing should raise its ROE by 0.53%, bringing its ROE to -10.41%.

We note that on January 6, 1999, Frontier previously made a similar tariff filing which involved many of the same custom calling features. That filing was presented in Docket 990049-TL, and approved by Order No. PSC-99-0412-FOF-TL, issued February 25, 1999.

As stated above, the rate increases proposed in this tariff filing are within the minimum and maximum (\$.30-\$25.00) rate ranges allowed for Basic, Advanced, and Feature Packaged custom calling services. Additionally, our staff conducted an informal comparison of the rates for a sampling of the services noted herein. Our staff consulted Order No. PSC-99-2455-PAA-TP (1999 Statewide Averages) and concluded that the rate for Caller ID Name is slightly higher for residential customers and lower for business customers; the rates for Call Return, Repeat Dialing, and Call

ORDER NO. PSC-00-0447-TRF-TL
DOCKET NO. 000104-TL
PAGE 3

Waiting Deluxe are lower than the statewide averages for both residential and business customers.

Based on the foregoing, Frontier Communications of the South, Inc.'s Request for approval of tariff filing to increase rates for charge accounts, foreign exchange listings, caller ID name, call return, repeat dialing, call waiting deluxe, and to eliminate the multiple feature discount is hereby approved.

The tariff shall become effective on February 20, 2000. If a protest is filed within 21 days from the issuance date of the Order, the tariff shall remain in effect, pending resolution of the protest with any revenues held subject to refund. If no timely protest is filed, this docket shall be closed.

Therefore, it is

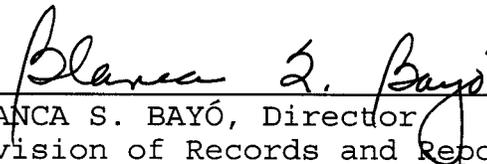
ORDERED by the Florida Public Service Commission that Frontier Communications of the South, Inc.'s Request for approval of tariff filing to increase rates for charge accounts, foreign exchange listings, caller ID name, call return, repeat dialing, call waiting deluxe, and to eliminate the multiple feature discount is hereby approved. It is further

ORDERED that the tariff shall become effective February 20, 2000. If a protest is filed within 21 days from the issuance date of the Order, the tariff shall remain in effect pending resolution of the protest with any revenues held subject to refund. It is further

ORDERED that if no timely protest is filed, this docket shall be closed.

ORDER NO. PSC-00-0447-TRF-TL
DOCKET NO. 000104-TL
PAGE 4

By ORDER of the Florida Public Service Commission this 2nd day
of March, 2000.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

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NOTICE OF FURTHER PROCEEDINGS

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 Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files 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 March 23, 2000.

ORDER NO. PSC-00-0447-TRF-TL
DOCKET NO. 000104-TL
PAGE 5

In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

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.