BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation and determination of appropriate method for refunding overcharges and interest on 0+ calls made from pay telephones by USLD Communications, Inc. DOCKET NO. 010937-TI ORDER NO. PSC-01-1969-PAA-TI ISSUED: October 3, 2001

The following Commissioners participated in the disposition of this matter:

E. LEON JACOBS, JR., Chairman J. TERRY DEASON LILA A. JABER BRAULIO L. BAEZ MICHAEL A. PALECKI

NOTICE OF PROPOSED AGENCY ACTION ORDER APPROVING REVISED SETTLEMENT OFFER

BY THE COMMISSION:

On May 18, 1990, USLD Communications, Inc. (USLD) obtained Florida Public Service Commission Interexchange (IXC) Certificate No. 2469. Thereafter, on February 1, 1999, Rule 25-24.630, Florida Administrative Code, Rate and Billing Requirements, was amended to cap rates for intrastate 0+ and 0- calls from pay telephones to \$.30 per minute plus \$3.25 for a person-to-person call or \$1.75 for a non person-to-person call.

On March 30, 2001, our staff sent a letter to USLD stating that staff had determined, as a result of pay telephone evaluations, that two 0+ test calls from separate pay telephones were billed differently. Commission staff then requested a detailed explanation of the charges for each call by April 17, 2001. On May 4, 2001, our staff received a letter from Mr. Peter Kirchhof, Director of Policy and Law for USLD, explaining the difference in billing between the two calls. Mr. Kirchhof explained that while the January 3, 2001, call was billed correctly, the January 22, 2001, call was incorrectly billed. He

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further explained that the per-minute rate and operator surcharge for the second call was not billed in accordance with USLD's tariff. The company contends that due to a system error, the call was recognized as a 0- instead of a 0+ call. In either case, however, we believe that the charges should have been the same for each call. As of May 2, 2001, USLD had corrected the error in its billing systems for all operator services calls placed from pay telephones.

Subsequently, on July 10, 2001, our staff received a letter from Mr. Kirchhof wherein the company calculated that 2318 calls were incorrectly billed from February 1999 through April 2001, resulting in overcharges of \$926.00 (not including interest). USLD has proposed to offer a refund to Florida customers who have been overcharged. By Order No. PSC-01-1744-PAA-TI, issued August 27, 2001, we approved USLD's refund offer. USLD timely responded to our Order on August 31, 2001, when counsel for USLD advised our staff that USLD had erred in providing the figure of \$926.00 in overcharges. USLD had determined subsequent to our approval of their settlement offer that the amount of the overcharges should have been reported as \$2,344.51. Based on the new principle amount, our staff calculated interest in the amount of \$208.26, resulting in a total refund of \$2,552.77. Counsel for USLD confirmed that the company would complete the refund, using the new amount of \$2,552.77, as originally scheduled and approved by Order No. PSC-01-1744-PAA-TI.

We are vested with jurisdiction to consider this revised refund amount pursuant to Sections 364.285 and 364.3376, Florida Statutes.

Although USLD originally reported an incorrect amount for the refund, the company is commended for coming forward and voluntarily refunding the higher amount. USLD had prepared the transaction data to effect the refund on September 1, 2001, and believes that it is in the best interest of the consumers to effect the refund as scheduled. USLD is seeking our approval for implementing the refund with the higher amounts.

Based on the foregoing, we hereby accept USLD's revised refund calculation of \$2,344.51, adding interest of \$208.26, for a total of \$2,552.77, and supplement Order No. PSC-01-1744-PAA-TI issued

August 27, 2001, to reflect the revised refund calculations. All remaining terms and conditions specified in Order No. PSC-01-1744-PAA-TI shall remain the same. This docket shall remain open pending the completion of the refund and receipt of the final report on the refund. After completion of the refund and receipt of the final refund report, this docket shall be closed administratively.

It is therefore

ORDERED by the Florida Public Service Commission that USLD Communications, Inc.'s revised refund calculation of \$2,344.51, adding interest of \$208.26, for a total of \$2,552.77 is hereby approved. It is further

ORDERED that Order No. PSC-01-1744-PAA-TI is hereby supplemented in accordance with this Order. It is further

ORDERED that Order No. PSC-01-1744-PAA-TI is otherwise reaffirmed in all other respects. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall remain open pending the completion of the refund and receipt of the final report on the refund. It is further

ORDERED that after completion of the refund and receipt of the final refund report, this docket shall be closed administratively.

By ORDER of the Florida Public Service Commission this <u>3rd</u> Day of <u>October</u>, <u>2001</u>.

BLANCA S. BAYÓ, Director Division of the Commission Clerk and Administrative Services

(SEAL)

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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 that is available under Section 120.57, 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 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 the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on October 24, 2001.

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.