

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Basic rate changes and refund by ALLTEL Florida, Inc. to achieve compliance with Section 364.051, Price Regulation, Florida Statutes.

DOCKET NO. 041321-TL  
ORDER NO. PSC-04-1251-PAA-TL  
ISSUED: December 17, 2004

The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman  
J. TERRY DEASON  
RUDOLPH "RUDY" BRADLEY  
CHARLES M. DAVIDSON

NOTICE OF PROPOSED AGENCY ACTION  
ORDER APPROVING ALLTEL FLORIDA, INC.'S 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.

Case Background

On June 7, 2004, ALLTEL Florida, Inc. (ALLTEL) filed a tariff (T040583) to increase several of its basic and non-basic local exchange rates within the State of Florida, effective July 7, 2004. Pursuant to Section 364.051 (3), Florida Statutes, a local exchange telecommunications company may on 30 days' notice adjust its basic service revenues once in any 12-month period in an amount not to exceed the change in inflation less 1 percent. Inflation is measured by the changes in the Gross Domestic Product Fixed Weights Price Index published in the Survey of Current Business or publication by the United States Department of Commerce. Upon review of ALLTEL's tariff filing, staff noted that ALLTEL had calculated the allowable increase using the wrong Bureau of Economic Analysis (BEA), National Economic Accounts, Gross Domestic Product Price Index. Upon notification of the error, ALLTEL submitted a new tariff filing (T041084) incorporating the correct Gross Domestic Product Price Index and advised staff it would provide a credit/refund, with interest, to affected customers in accordance with Rule 24-4.114, Refunds, Florida Administrative Code. The impact of the miscalculation was very minor, and the per line credit amount will be typically a \$1.00 or less.

DOCUMENT NUMBER-DATE

13248 DEC 17 3

FPSC-COMMISSION CLERK

**Discussion of Issues**

ALLTEL recalculated and resubmitted a new tariff filing (T041084) incorporating the correct BEA National Economic Accounts, Gross Domestic Product Index and advised our staff that it would provide a refund/credit to affected customers in accordance with Rule 24-4.114, Refunds, F.A.C. This rule states that where the refund is the result of a specific rate change, the refund will be computed on a per customer basis where feasible. Interest is to be applied based on the 30-day commercial paper rate, in accordance with Rule 25-4.114 (4), F.A.C. In accordance with Rule 24-4.114 (5), F.A.C., customers still on the system receive a credit on their bill or if the customer so requests, a check be sent within 10 days of the request. For those customers entitled to a refund, but no longer on the system, the company shall mail a refund check to the customer's last known billing address. The only exception, however, is that no refund check for less than a \$1.00 will be mailed to customers no longer on the system. Finally, pursuant to Rule 24-4.114 (8), F.A.C., any unclaimed money should be forwarded to the General Revenue Fund.

We find that this action will bring ALLTEL into compliance with Section 364.051, Price Regulation, Florida Statutes.

Based on the foregoing,

ORDERED by the Florida Public Service Commission that ALLTEL Florida, Inc. shall refund its customers as set forth in the body of this Order. The company shall refund its customers that are still on the system by crediting their bill, or if the customer so requests, a check shall be sent within 10 days of the request. For those customers entitled to a refund but no longer on the system, ALLTEL Florida, Inc. shall mail a refund check to the last known billing address. However, no refund check for less than a \$1.00 will be mailed to customers that are no longer on the system. It is further

ORDERED that any unclaimed money should be forwarded to the General Revenue Fund. 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 be closed.

By ORDER of the Florida Public Service Commission this 17th day of December, 2004.

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

By: Kay Flynn  
Kay Flynn, Chief  
Bureau of Records

( S E A L )

JLS

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 January 7, 2005.

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/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.