

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of the CITIZENS OF )	DOCKET NO. 881026-TL
THE STATE OF FLORIDA to Investigate )	
Tariffed Rates for Additional or )	ORDER NO. 20805
Extra Line Listings applicable to )	
Residential Telephone Subscribers )	ISSUED: 2-24-89

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman  
 THOMAS M. BEARD  
 BETTY EASLEY  
 JOHN T. HERNDON

NOTICE OF PROPOSED AGENCY ACTION  
AND  
ORDER DENYING PETITION FOR INVESTIGATION

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 formal proceeding pursuant to Rule 25-22.029, Florida Administrative Code.

On July 29, 1988, the Office of the Public Counsel (OPC) filed a petition seeking an investigation of the current rates charged by local exchange companies for additional or extra line listings in their directories. OPC alleges that the current rates "may be" priced above or unrelated to the cost of these services and "may be" inhibiting subscribers from ordering them.

On August 23, 1988, Southern Bell Telephone and Telegraph Company (Bell) filed a Motion to Dismiss OPC's petition, alleging that only the Florida Legislature has authority to reset rates for "No Sales Solicitations Calls" listings. Section 501.059, Florida Statutes (1987), provides that the charge for "No Sales Solicitation Calls" listings "shall be the tariffed rates as approved by the commission for additional or extra line listings." Additionally, Bell charges that OPC has tacitly admitted that the present rates are reasonable through its failure to object to the 1981 increase of Bell's rates to \$1.20. Finally, Bell claims that the Commission is not required to set these services' rates either at or near their costs.

Upon review, OPC's petition will be denied because we do not deem it appropriate to hold an evidentiary proceeding to consider the costs of providing these service. Additional and extra line and "No Sales Solicitation Calls" listings are discretionary services, and as such, their rates are normally set in accordance with the residual pricing methodology. Under this methodology, discretionary service rates are first established in order to provide a contribution above their costs toward alleviating upward pressure on basic local service rates and basic service rates are set thereafter. This ratemaking methodology was implemented when the rates for additional and extra line listings were set.

DOCUMENT NUMBER-DATE  
 02097 FEB 24 1989  
 FPSC-RECORDS/REPORTING

ORDER NO. 20805  
 DOCKET NO. 881026-TL  
 Page 2

OPC's petition furnishes no good reason for departing from this methodology even if we elect to reset these rates. Accordingly, we would not necessarily reduce these rates even if the associated costs were proven to be substantially less than the current rates at an evidentiary hearing sought by the Public Counsel. For this reason, we believe that an investigation of the costs of providing these services is inappropriate.

We are concerned however with the suggestion that the currently-tariffed rates could be inhibiting subscribers from ordering "No Sales Solicitation Calls" listings. Based on this concern, we will undertake an informal inquiry in order to determine whether the rates being charged for directory listings are seriously inhibiting subscribers who would otherwise be interested in ordering these services from doing so. This informal inquiry will not concentrate on the costs of providing these services but will instead consider whether current usage is being significantly suppressed by the level of these rates.

Therefore, it is

ORDERED by the Florida Public Service Commission that the petition filed on July 29, 1988, by the Office of the Public Counsel seeking an investigation of the current rates charged by local exchange companies for additional or extra line listings in their directories is hereby denied. It is further

ORDERED that the Motion to Dismiss filed on August 23, 1988, by Southern Bell Telephone and Telegraph Company is hereby dismissed as moot. It is further

ORDERED that the Commission Staff shall undertake an informal inquiry into whether current usage of the "No Sales Solicitation Calls" listing services is being significantly suppressed by the level of the currently-tariffed rates for these services. It is further

ORDERED that this docket shall be closed if there is no protest to this proposed agency action within the time frame set forth below.

By ORDER of the Florida Public Service Commission,  
 this 24th day of FEBRUARY, 1989.

  
 STEVE TRIBBLE, Director  
 Division of Records and Reporting

( S E A L )

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ORDER NO. 20805  
DOCKET NO. 881026-TL  
Page 3

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 action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on March 20, 1989. In the absence of such a petition, this order shall become effective March 21, 1989, as provided by Rule 25-22.029(6), Florida Administrative Code, and as reflected in a subsequent 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.

If this order becomes final and effective on March 21, 1989, 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 sewer 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.