

FLORIDA PUBLIC SERVICE COMMISSION
Capital Circle Office Center, 2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

M E M O R A N D U M

August 3, 1995

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF COMMUNICATIONS (LEWIS) *KL*
DIVISION OF LEGAL SERVICES (HATCH) *PH*

RE: DOCKET NO. 940139-TL - INVESTIGATION OF CENTRAL TELEPHONE COMPANY OF FLORIDA'S PROVISION OF CENTREX SERVICE TO ROYAL OAKS APARTMENTS IN VIOLATION OF SECTION 364.339(1)(b), F.S., ORDER NO. 17111, RULE 25-24.560, F.A.C., AND GENERAL CUSTOMER SERVICE TARIFF 23.8.3.

AGENDA: 08/15/95 - REGULAR AGENDA - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: I:\PSC\CMU\WP\940139D.RCM

CASE BACKGROUND

Order PSC-94-0696-FOF-TL was issued on June 8, 1994. This order required Central Telephone Company of Florida to discontinue the provision of centrex service to Royal Oaks Apartments and other entities where service was being provided under the same circumstances. The Commission's decision was based upon the belief that Royal Oaks was competing with service provided by the local exchange company and providing shared tenant service to non-commercial tenants not within a single building. At the time the Order was issued, all of these actions were prohibited by Sections 364.33 and 364.335(3), Florida Statutes and Rule 25-24.560, Florida Administrative Code.

Central Telephone Company did not protest the Order and notified the affected entities that it would be discontinuing the provision of centrex service as required by the Order. To the best of staff's knowledge, service to all affected parties was discontinued, with the exception of two parties (Leon County Educational Facilities Authority and Professional Food Service Management d/b/a Southgate Campus Centre, and R. J. Allen & Associates, d/b/a Regent's Club). On June 29, 1994, these two parties filed petitions for a formal proceeding and seeking

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clarification of Order PSC-94-0696-FOF-TL. Staff met with representatives of the parties on November 9, 1994. Both parties asserted the arguments, as put forth in their respective petitions, that they should be allowed to continue their existing telephone service arrangements as they were not being provided in violation of Florida Statutes or Florida Administrative Code. At the meeting, staff requested additional information in order to learn more about the service arrangements being provided by each petitioner. Other than telephone conversations with the parties, no further action has been taken by staff with regard to the petitions.

The passage of Senate Bill 1554 amended Sections 364.33 and 364.335(3), Florida Statutes, effective July 1, 1995. These sections of the statute deal with the provision of competitive local exchange service and shared tenant services, consequently, they have significance for this docket. Staff files this recommendation in order to review the circumstances of this docket with respect to the new statutes.

DISCUSSION OF ISSUES

ISSUE 1: Should this docket be closed?

RECOMMENDATION: Yes, this docket should be closed because the amendments to Sections 364.33 and 364.335(3), Florida Statutes, have made the issues moot and a hearing is no longer necessary.

STAFF ANALYSIS: The issues in this docket were:

1. Central Telephone Company of Florida's provision of centrex service to Royal Oaks and at least seven other apartment buildings in the Centel service area. The apartments were in turn billing the residents. The Commission ruled that this was a violation of Section 364.339(1)(b), Florida Statutes, because the apartments were neither shared tenant service providers, nor providing service to commercial tenants within a single building.
2. By reselling the centrex service to its residents, Royal Oaks and the other apartment buildings were providing service which duplicated or competed with local service provided by an existing local exchange company, which at that time was a violation of Section 364.335(3), Florida Statutes.

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With regard to the issue 1 referenced above, effective January 1, 1996, Section 364.339, Florida Statutes, will no longer limit the provision of shared tenant service to commercial tenants within a single building.

With regard to issue 2 referenced above, effective January 1, 1996, Section 364.335(3), Florida Statutes, requires the Commission to grant certificates to telecommunications companies without regard to whether such companies will be in competition with or duplicate the local exchange service provided by any other telecommunications company.

Because of these changes in the statutes, staff believes that this docket may be closed. The petitioners (Leon County Educational Facilities Authority and Professional Food Service Management d/b/a Southgate Campus Centre, and R. J. Allen & Associates, d/b/a Regent's Club) may apply for appropriate certification if they wish to provide telecommunications services.