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STATE OF FLORIDA
OFFICE OF THE PUBLIC COUNSEL

c/o The Florida Legislature
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JACK SHREVE
PUBLIC COUNSEL

May 31, 1996

Ms. Blanca Bayo
Clerk, Florida Public Service Commission
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Re: Docket 920260-TL

Dear Ms. Bayo:

Commission order PSC-94-0172-FOF-TL issued February 11, 1994, approved a stipulation and implementation agreement in this docket. The stipulation and implementation agreement require unspecified rate reductions of approximately \$48 million per year beginning October 1, 1996, in addition to a specified access charge reduction of approximately \$35 million per year and a pay telephone rate reduction of approximately \$1 million per year. Parties and interested persons may submit their proposal for the \$48 million per year unspecified rate reduction not less than 120 days prior to the scheduled effective date of October 1, 1996.

The enclosed letter from Senator Scott addresses concerns about the impact of the 954 area code change. We propose that the Commission set up a reserve that would be used to mitigate the impact of area code changes on customers located in the territory served by Southern Bell. The reserve could be used for purposes such as reduced or free call forwarding for local, ECS, and toll calls; waiver of service charges; or provision of other services deemed appropriate by the Commission. We propose that the reserve be funded by an accrual of \$2 million per year and drawn down as required.

Sincerely,

Jack Shreve
Jack Shreve
Public Counsel

- ACK _____
- ALA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG 1 _____
- LIN 5 _____
- JS:cbr
- OPC _____ Enclosure
- ROH _____ cc: all parties of record
- SEC 1 _____
- WAS _____
- OTH _____

DOCUMENT NUMBER-DATE
06033 MAY 31 96
FPSC-RECORDS/REPORTING



THE FLORIDA SENATE

SENATOR JAMES A. SCOTT
President

May 30, 1996

Mr. Jack Shreve
Public Counsel
111 W. Madison Street
Tallahassee, FL 32399-1400

Dear Mr. Shreve:

As you know, our legislative offices have received numerous contacts from individuals and businesses throughout the state who are concerned and anxious about the impact of implementing new telephone area codes in Florida that may not be accessible from certain foreign countries.

This problem has been created by the need to add new area codes for growth that do not have a 1 or 0 as the middle digit. Some older telephone equipment, primarily found in foreign markets, may not be able to access telephones located in the new area codes.

When the 305 area code split was first announced, Broward County business groups sounded the alarm about the potential adverse impacts resulting from loss of business if older types of telephone equipment in use throughout the world did not have the ability to reach the new area codes. As we experience continued growth in the state, then these problems will, no doubt, expand to other areas.

I have learned that in addition to the unknown impact that may occur with foreign telephone systems, there are a substantial number of domestic telephone systems that have the same problem. The concern we have is that our citizens are facing a problem of unknown magnitude. It does not seem fair to leave a business person without recourse when faced with a loss due to changes that have been approved by the Public Service Commission (PSC).

The PSC is now considering the required \$84 million dollar rate reduction for BellSouth that will take effect in October in accordance with your Settlement Agreement

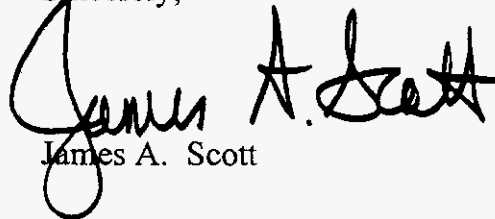
Mr. Jack Shreve
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with BellSouth. As you know, the Legislature codified that agreement in 1995 in the revisions we made to Section 364 of the Florida Statutes.

I would appreciate anything you might do in order to lessen the adverse impact that may occur as a result of these changes. I would think if the PSC were to reserve a portion of the required reduction to address the adverse impacts resulting from dialing changes that it would be a good investment for the state. Naturally, if the PSC were able to determine at some point in the future there was no need for the fund, then the accruals could be directed to other rate reductions that the PSC determines to be in the public interest.

Thank you for your assistance in this matter.

Sincerely,

A handwritten signature in black ink that reads "James A. Scott". The signature is written in a cursive style with a large initial "J" and a long, sweeping underline.

James A. Scott

JAS/sb