



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Notice of election of )  
price regulation by BellSouth )  
Telecommunications, Inc. )

DOCKET NO. 951354-TL  
FILED: June 18, 1996

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**CENTRAL TELEPHONE COMPANY OF FLORIDA  
AND UNITED TELEPHONE COMPANY OF  
FLORIDA'S JOINT PREHEARING STATEMENT**

Pursuant to the Order on Prehearing Procedure in this docket, Central Telephone Company of Florida ("Sprint/Centel") and United Telephone Company of Florida ("Sprint/United") (together, "Sprint-United/Centel"), through their undersigned counsel, file their Joint Prehearing Statement.

A. **WITNESSES:** None.

B. **EXHIBITS:** None.

C. **BASIC POSITION:** Reclassification of an exchange (rate regrouping) subsequent to the election of price regulation is not prohibited by Section 364.051, Florida Statutes.

**D-G. ISSUES AND POSITIONS:**

**ISSUE 1:** Is reclassification of an exchange (rate regrouping) subsequent to election of price regulation by BellSouth, a price increase that is prohibited under Section 364.051, Florida Statutes?

**Position:** No. Section 364.051, Florida Statutes, caps rates for basic residential and single line business local telecommunications services at the rates in effect on July 1, 1995, and prohibits increasing such rates

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prior to January 1, 1999, or January 1, 2001, where applicable. The local service rates in effect on that date are based on rates and rate groups which were established prior to July 1, 1995. Rate groups are based on the number of access lines a customer can call in the local calling area. When the access lines in the local calling area of an exchange exceed the upper limit of its assigned rate group, all the customers in that exchange move to the next rate group at the previously established rate. Moving an exchange to the next rate group does not constitute a rate increase, because the rates are not increased.

**ISSUE 2: If rate regrouping by BellSouth is not allowed, does any resulting disparity in prices constitute undue discrimination in violation of Section 364.051, Florida Statutes?**

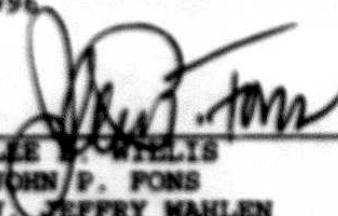
**Position:** Section 364.051, Florida Statutes, does not address "undue discrimination" as applicable to "basic" services. "Undue discrimination" applicable to "basic" services is addressed in Sections 364.08, 364.09 and 364.10, Florida Statutes. These sections provide that if customers are similarly situated, charging different rates to different customers for the same service with the same calling scope may be considered undue price discrimination.

**N. STIPULATIONS:** The Companies are not aware of any pending stipulations at this time.

I. PENDING MOTIONS: With the exception of the Companies' petition to intervene, dated June 18, 1996, the Companies are not aware of any pending motions at this time.

J. COMPLIANCE WITH ORDER ON PREHEARING PROCEDURE: The Companies do not know of any requirement of the Order on Prehearing Procedure with which they cannot comply.

DATED this 18th day of June, 1996.



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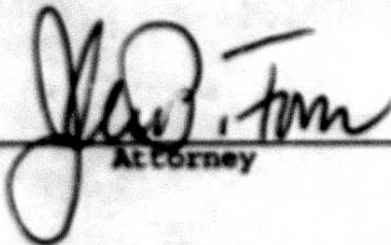
**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by Hand Delivery (\*) or U.S. Mail this 18th day of June, 1996 to the following:

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