

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

MEMORANDUM

December 5, 1996

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

FROM: DIVISION OF COMMUNICATIONS (MUSSELWHITE) *ES*
DIVISION OF LEGAL SERVICES (PELLEGRINI) *CP*

RE: DOCKET NO. 961399-TL - REQUEST FOR APPROVAL OF TARIFF
FILING TO ADD DEPOSIT LANGUAGE BY INDIANTOWN TELEPHONE
SYSTEM, INC. (T-96-996 FILED 11/19/96)

AGENDA: DECEMBER 17, 1996 - REGULAR AGENDA - TARIFF FILING -
INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: 30-DAY SUSPENSION DATE: DECEMBER 19, 1996

SPECIAL INSTRUCTIONS: S:\PSC\CMU\WP\961399TL.FCM

DISCUSSION OF ISSUES

ISSUE 1: Should Indiantown Telephone System's request to add special construction deposit language be approved?

RECOMMENDATION: Yes, Indiantown's request should be approved.

STAFF ANALYSIS: On November 19, 1996 Indiantown Telephone System, Inc. filed a tariff, attached hereto as Attachment A, which adds language that allows Indiantown to impose deposits for special construction. The tariff language tracks Rule 25-4.094, Florida Administrative Code. A copy of this rule is attached as Attachment B.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes. If Issue 1 is approved, this tariff should become effective December 19, 1996. If a protest is filed within 21 days from the issuance date of the Order, the tariff should remain in effect pending resolution of the protest. If no timely protest is filed, this docket should be closed.

DOCUMENT NUMBER-DATE

13012 DEC-596

FPSC-RECORDS/REPORTING

DOCKET NO. 961399-TL
DATE: December 5, 1996

STAFF ANALYSIS: If the Commission approves Issue 1, this tariff should become effective December 19, 1996. If a protest is filed within 21 days from the issuance date of the Order, the tariff should remain in effect pending resolution of the protest. If no timely protest is filed, this docket should be closed.

GENERAL SUBSCRIBER SERVICES TARIFF

INDIANTOWN TELEPHONE SYSTEM, INC.

FPSC Tariff No. 2
SECTION 5
First Revised Sheet 1
Cancels Original Sheet 1

CHARGES APPLICABLE UNDER SPECIAL CONDITIONS

5.1 CONSTRUCTION CHARGES

5.1.1 Extension of Facilities

a. The Company may require a reasonable deposit from the applicant(s) before construction is commenced in order to guarantee performance. The deposit shall be returnable to the applicant on a pro-rata basis at either quarterly or annual intervals on the basis of installation of service to new subscribers. If returned on a quarterly basis, no interest will be paid; but if refunded annually, the refundable portion shall bear interest at a rate equivalent to the then-current prime interest rate.

b. Any amount due The Company under Rule 25-4.093 may be withheld when the deposit is being returned to the applicant.

c. Any portion of the deposit remaining unrefunded five (5) years from the date The Company is first ready to render service from the extension will be retained by the utility as liquidated damages and credited to an appropriate account.

5.1.2 Construction on Private Property

a. Subdivisions and multiple occupancy buildings.

NOTE: Material previously appearing on this sheet now appears on sheet 1.1

EFFECTIVE DATE:

ISSUED BY:

Robert M. Post
President

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GENERAL SUBSCRIBER SERVICES TARIFF

INDIANTOWN TELEPHONE
SYSTEM, INC.

FPSC Tariff No. 2
SECTION 5
Original Sheet 1.1

CHARGES APPLICABLE UNDER SPECIAL CONDITIONS

5.1 CONSTRUCTION CHARGES (Cont'd)

5.1.2 Construction on Private Property (Cont'd)

- (1) Extensions of telephone distribution lines to all structures within a new residential subdivision or to a new multiple occupancy building shall be made underground. The Company shall construct, own, operate and maintain all such underground facilities and such facilities shall be located only upon rights-of-way or easements granted to the Company without cost or paid for by the applicant.
- (2) The Company will install facilities at no cost to the applicant, except that the applicant must do the following:
 - (a) Obtain any required rights-of-way or easements at applicant's cost and convey them to the Company at no cost;

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NOTE: Material appearing on this sheet previously appeared on sheet 1.

EFFECTIVE DATE:

ISSUED BY:

Robert M. Post, Jr.
President

(2) The Company shall have no responsibility under this Part VI unless rights of way and easements suitable to the utility are furnished by the applicant in reasonable time to meet service requirements and at no cost, cleared of trees, tree stumps, paving and other obstructions, staked to show property lines and final grade, and must be graded to within six (6) inches of final grade by the applicant all at no charge to the utility. Such clearing and grading must be maintained by the applicant during construction by the utility.

Specific Authority: 364.20, F.S.

Law Implemented: 364.03, F.S.

History: New 4/10/71, Amended 3/31/76, formerly 25-4.90.

25-4.091 Installation of Underground Distribution System Within Subdivision.

(1) Upon receipt of a proper application the utility shall install an underground telephone distribution system with sufficient and suitable materials which, in its judgment, will assure that the applicant will receive reasonably safe and adequate telephone service for the reasonably foreseeable future.

(2) All distribution cable and service entrance facilities shall be underground. Accessory equipment may be pedestal mounted when dictated by physical conditions or economic considerations.

(3) Service entrance facilities normally will be at the point of the building nearest the point at which the underground system enters the property to be served. If such service entrance point on any building is more than seventy-five (75) feet, measured at right angles, from the serving property line, then the applicant may be required to pay for the length in excess of seventy-five (75) feet in accordance with the extension rules of the utility on file with the Commission.

Specific Authority: 364.20, F.S.

Law Implemented: 364.03, F.S.

History: New 4/10/71, formerly 25-4.91.

25-4.092 Schedule of Charges.

The utility shall install the underground telephone distribution system at no charge to the applicant; except that the applicant may be required by the utility to furnish suitable conduit for the placement of service entrance facilities to multiple-occupancy buildings, which shall be required in all such installations.

Specific Authority: 364.209, F.S.

Law Implemented: 364.03, F.S.

History: New 4/10/71, formerly 25-4.92.

25-4.093 Connection to Existing System.

The connection from the existing telephone distribution system to the underground system installed within the applicant's subdivision shall be made in accordance with the regular extension rules of the utility on file with the Commission, subject to reference to the Commission, under Rule 25-4.097, if this should appear to be impracticable.

Specific Authority: 364.20, F.S.

Law Implemented: 364.03, F.S.

History: New 4/10/71, formerly 25-4.93.

25-4.094 Advance by Applicant.

(1) The utility may require a reasonable deposit from the applicant before construction is commenced in order to guarantee performance, such requirement to be in accordance with approved tariffs relating to extension of facilities. The deposit shall be returned to the applicant on a pro-rata basis at either quarterly or annual intervals on the basis of installations of service to new subscribers. If returned quarterly, no interest need be paid; but if refunded annually, the refundable portion of the deposit shall bear interest at a rate equivalent to the then-current prime interest rate.

(2) Any amount due the utility under Rule 25-4.093 may be withheld when the deposit is being returned to the applicant.

(3) Any portion of the deposit remaining unrefunded five (5) years from the date the utility is first ready to render service from the extension will be retained by the utility as liquidated damages and credited to an appropriate account.

Specific Authority: 364.20, F.S.

Law Implemented: 364.03, F.S.

History: New 4/10/71, formerly 25-4.94.

25-4.095 Construction Practices.

(1) Each applicant shall cooperate with the utility in an effort to keep the cost of construction and installation of the underground telephone distribution system as low as possible.

(2) To the extent practicable, joint use of trenches by all utilities shall be undertaken where economies can be realized without impairment to safety or service, care being taken to conform to any applicable Code and utility specification.

(3) To the extent practicable, where existing aerial facilities are being retired and removed from service, replacement will be made with underground construction whenever economically feasible.

Specific Authority: 364.20, F.S.

Law Implemented: 364.03, F.S.

History: New 4/10/71, formerly 25-4.95.

25-4.096 Records and Reports.

(1) To insure the development and availability of appropriate data necessary to a determination of the relative cost of underground distribution systems as compared with overhead systems, each utility will undertake to establish and maintain separate records or sub-accounts for underground distribution construction, operating and maintenance costs.

(2) Records shall also be maintained of experienced results obtained in the use of joint trenching, in such manner and detail as will afford an opportunity to evaluate the economies available using this practice.

Specific Authority: 364.20, F.S.

Law Implemented: 364.03, F.S.

History: New 4/10/71, formerly 25-4.96.

25-4.097 Special Conditions. When the application of these rules appears impracticable or unjust to either party, or discriminatory to other customers, the utility or applicant shall refer the matter to the Commission for special ruling or for the approval of special conditions which may be mutually agreed upon, prior to commencing construction.

Specific Authority: 364.20, F.S.

Law Implemented: 364.03, F.S.

History: New 4-10-71, formerly 25-4.97.