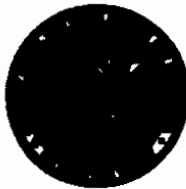


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Commissioners:
JULIA L. JOHNSON, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.



DIVISION OF APPEALS
DAVID E. SMITH
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Public Service Commission

February 27, 1998

Mr. Carroll Webb
Joint Administrative Procedures
Committee
120 Holland Building
Tallahassee, Florida 32399

Re: Docket No. 960254-TI - Proposed Part VXI - Rules
Governing Prepaid Calling Services; Rules 25-24.900,
F.A.C., Scope and Waiver; 25-24.905, F.A.C., Terms and
Definitions; 25-24.910, F.A.C., Certificate of Public
Convenience and Necessity Required; 25-24.915, F.A.C.,
Tariffs or Price Lists; 25-24.920, F.A.C., Standards
for Prepaid Calling Services and Consumer Disclosure;
25-24.925, F.A.C., Refunds; 25-24.930, F.A.C., Adequacy
of Service; 25-24.935, F.A.C., Discontinuance of
Service; 25-24.940, F.A.C., Penalties

Dear Mr. Webb:

The Commission has approved the amendment of Rules 25-
24.900, 25-24.905, 25-24.910, 25-24.915, 25-24.920, 25-24.925,
25-24.930, 25-24.935 and 25-24.940, F.A.C., with changes.

We plan to file the rules for adoption on March 7, 1998.

Sincerely,
Diana W. Caldwell
Diana W. Caldwell
Associate General Counsel

- ACX _____
- AEA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- ...

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Enclosure

cc: Division of Records & Reporting

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STATEMENT OF CHANGES

Rule 25-24.900, F.A.C. Subsection (1) was revised to clarify the scope of the rule to distinguish between companies that provide prepaid calling services and those companies that provide the underlying network access. The waiver provisions were deleted since section 120.542, FS, provided procedures for variances and waivers.

Rule 25-24.905, F.A.C. The term "company" was revised to mean any entity providing prepaid calling services to the public using its own or resold telecommunications network. This definition is consistent with the scope of Part XVI.

Rule 25-24.910, F.A.C. The provision allowing "doing business as" names was rewritten for clarity.

Rule 25-24.920, F.A.C. Subsection (2) was reworded to require the prepaid calling card service (PPCS) provider to provide disclosure information. PPCS companies must insure by contract with distributors and retailers that the information is displayed at the point of sale.

Subsection (4) is amended to require that a company must electronically voice record end user complaints. Subsection (5) was clarified to provide that the rates displayed were to be maximum rates. Subsection (12) is added to provide a grandfather clause for cards that are currently in circulation.

Rule 25-24.935, F.A.C. The term "network provider" is added to clarify that the rules are primarily requirements on the company or provider of PPCS.

Rule 25-24.940, F.A.C. The language for the penalty provision was modified for clarity.

1 RULES OF THE FLORIDA PUBLIC SERVICE COMMISSION

2 RULES GOVERNING PREPAID CALLING SERVICES

3 Part XVI

4
5 25-24.900 Scope

6 25-24.905 Terms and Definitions

7 25-24.910 Certificate of Public Convenience and Necessity

8 Required

9 25-24.915 Tariffs or Price Lists

10 25-24.920 Standards for Prepaid Calling Services and Consumer

11 Disclosure

12 25-24.925 Refunds

13 25-24.930 Adequacy of Service

14 25-24.935 Discontinuance of Service

15 25-24.940 Penalties

16
17 RULES GOVERNING PREPAID CALLING SERVICES

18 25-24.900 Scope.

19 (1) This part applies to companies that provide prepaid
20 calling services (PPCS) to the public using its own or resold
21 telecommunications networks.

22 (2) Prepaid calling services provided without compensation
23 are exempt from Part XVI.

24 Specific Authority: 350.127(2), F.S.

25 Law Implemented: 364.01, 364.19, 364.337(4), F.S.

CODING: Words underlined are additions; words in
struck-through type are deletions from existing law.

1 History: New

2

3 25-24.905 Terms and Definitions.

4 For purposes of this part, the definitions to the following terms
5 apply:

6 (1) "Company" means any entity providing prepaid calling
7 services to the public using its own or resold telecommunications
8 network.

9 (2) "Conversation time" is the time when two-way
10 telecommunications is possible.

11 (3) "Prepaid Calling Services (PPCS)" means any prepaid
12 telecommunications service that allows end users to originate
13 calls through an access number and authorization code, whether
14 manually or electronically dialed.

15 (4) "Prepaid Calling Card" or "Card" means any object
16 containing an access number and authorization code that enables an
17 end user to use PPCS.

18 Specific Authority: 359.127(2), F.S.

19 Law Implemented: 364.01, 364.03, 364.051, 364.335, 364.337(4) F.S.

20 History: New

21

22 25-24.910 Certificate of Public Convenience and Necessity
23 Required.

24 A company shall not provide PPCS without first obtaining a
25 certificate of public convenience and necessity as a local

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1 exchange company, alternative local exchange company, or
2 interexchange company. The name used as the provider of PPCS
3 printed on the prepaid calling card shall appear identical to the
4 name in which the certificate is issued. A "doing business as"
5 name may be used in lieu of the certificated name if it is
6 registered as a fictitious name with the Florida Division of
7 Corporations and reflected on the certificate before the name is
8 used on the card.

9 Specific Authority: 350.127(2), F.S.

10 Law Implemented: 364.33, 364.335, 364.337(4) F.S.

11 History: New

12

13 25-24.915 Tariffs and Prices Lists.

14 (1) This section applies to all companies as defined in 25-
15 24.905(1), regardless of certificate type or other tariff or price
16 list requirements.

17 (2) Each company shall file a tariff or price list for PPCS.

18 (3) Each company shall include in its tariff or price list
19 the following information:

20 (a) Maximum amount a person will be charged per minute for
21 PPCS, and

22 (b) Applicable surcharges.

23 Specific Authority: 350.127(2), F. S.

24 Law Implemented: 364.04, 364.051, 364.057, 364.08, 364.09,

25 364.10, 364.19, 364.27, 364.327, F.S.

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1 History: New

2

3 25-24.920 Standards For Prepaid Calling Services and Consumer

4 Disclosure.

5 (1) The following information shall be legibly printed on the
6 card:

7 (a) The Florida certificated name, or "doing business as"
8 name as provided for by Rule 25-24.910, clearly identified as the
9 provider of the PPCS:

10 (b) Toll-free customer service number;

11 (c) Toll-free network access number; and

12 (d) Authorization code, if required to access service.

13 (2) Each company shall provide the following information
14 legibly printed either on the card, packaging, or display visible
15 in a prominent area at the point of sale of the PPCS in such a
16 manner that the consumer may make an informed decision prior to
17 purchase:

18 (a) Maximum charge per minute for PPCS;

19 (b) Applicable surcharges; and

20 (c) Expiration policy, if applicable.

21 The company must insure by contract with its retailers or
22 distributors that the information is provided to the consumer.

23 (3) Each company shall provide through its customer service
24 number the following information:

25 (a) Certificate number;

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- 1 **(b) Rates and surcharges;**
2 **(c) Balance of use in account; and**
3 **(d) Expiration date or period, if any.**
4 **(4) Each company shall provide a live operator to answer**
5 **incoming calls 24 hours a day, 7 days a week or shall**
6 **electronically voice record and user complaints. A combination of**
7 **live operators or recorders may be used. If a recorder is used,**
8 **the company shall attempt to contact each complainant no later**
9 **than the next business day following the date of the recording.**
10 **(5) The rates displayed in accord with paragraph (2) above**
11 **shall be no more than those reflected in the tariff or price list**
12 **for PPCS.**
13 **(6) A company shall not reduce the value of a card by more**
14 **than the charges printed on the card, packaging, or visible**
15 **display at the point of sale. The service may, however, be**
16 **recharged by the consumer at a rate higher than the rate at**
17 **initial purchase or last recharge. The higher rate and surcharges**
18 **shall be no more than the rates and surcharges in the tariff or**
19 **price list and the consumer shall be informed of the higher**
20 **charges at the time of recharge.**
21 **(7) The billing increment shall not exceed one minute.**
22 **(8) Each company shall only charge for conversation time plus**
23 **applicable surcharges.**
24 **(9) Conversation time of less than a full minute shall not be**
25 **rounded up beyond the next full minute.**

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1 (10) Cards without a specific expiration period printed on the
2 card, and with a balance of service remaining, shall be considered
3 active for a minimum of one year from the date of first use, or if
4 recharged, from the date of the last recharge.

5 (11) If PPCS are sold without a card or printed material,
6 tariffed charges and surcharges shall be disclosed at the point of
7 sale.

8 (12) All cards sold by the company after July 1, 1998, must
9 comply with this rule.

10 Specific Authority: 350.127(2), F.S.

11 Law Implemented: 364.01, 364.03, 364.19 F.S.

12 History: New

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14 25-24.925 Refunds.

15 (1) Each company shall have a refund policy that meets the
16 following minimum requirements:

17 (a) For PPCS that are rendered unusable for reasons beyond
18 the consumer's control, and have not exceeded the expiration
19 period, each company shall provide a refund equal to the value
20 remaining in the account.

21 (b) Refunds may be cash or replacement service, at the
22 company's option, but must be made to the end user within 60 days
23 of notification by the end user.

24 (2) Each company may, but shall not be required to, provide a
25 refund when a card has been lost or stolen.

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1 Specific Authority: 350.127(2), F.S.

2 Law Implemented: 364.01, 364.19, F.S.

3 History: New

4

5 25-24.930 Adequacy of Service.

6 Each company shall ensure that:

7 (1) A minimum of 95 percent of all call attempts shall be
8 completed to the called party. Station busies will be counted as
9 completed calls.

10 (2) A minimum of 95 percent of all call attempts shall be
11 completed to a company's toll-free customer service number.

12 Station busies will not be counted as completed calls.

13 (3) A minimum of 97 percent (allowing for a one-second
14 variation) timing accuracy of conversation time shall be achieved.

15 Specific Authority: 350.127(2), F.S.

16 Law Implemented: 364.01, 364.19, F.S.

17 History: New

18

19 25-24.935 Discontinuance of Service.

20 A company shall be responsible for ensuring, either through its
21 contracts with its network provider, distributors, or marketing
22 agents, or other means, that end user purchased cards remain
23 usable in accord with Rule 25-24.920(10).

24 Specific Authority: 350.127(2), F.S.

25 Law Implemented: 364.01, 364.19, F.S.

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struck-through type are deletions from existing law.

1 History: New

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3 25-24.940 Penalties.

4 Where a penalty is imposed for a finding that an uncertificated
5 company has provided PPCS within the state of Florida, the penalty
6 shall be no less than \$1,000.

7 Specific Authority: 350.127 (2) F.S.

8 Law Implemented: 364.285 F.S.

9 History: New

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