

DOCKET NO. 960254-TI

ORIGINAL

CERTIFICATION OF  
PUBLIC SERVICE COMMISSION ADMINISTRATIVE RULES  
FILED WITH THE  
DEPARTMENT OF STATE

DEPARTMENT OF STATE  
TALLAHASSEE, FLORIDA  
90 MAR -6 AM 11:12  
FILED

I do hereby certify:

(1) That all statutory rulemaking requirements of Chapter 120, F.S., have been complied with; and

(2) There is no administrative determination under subsection 120.56(2), F.S., pending on any rule covered by this certification; and

(3) All rules covered by this certification are filed within the prescribed time limitations of paragraph 120.54(3)(e), F.S. They are filed not less than 28 days after the notice required by paragraph 120.54(3)(a), F.S., and;

(a) Are filed not more than 90 days after the notice;

or

(b) Are filed not more than 90 days after the notice

not including days an administrative determination was pending;

or

(c) Are filed more than 90 days after the notice, but

not less than 21 days from the date of publication of the notice

of change; or

(d) Are filed more than 90 days after the notice, but

within 21 days after the adjournment of the final public hearing

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
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- LIN \_\_\_\_\_
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- RCH \_\_\_\_\_
- SEC   1
- WAS \_\_\_\_\_
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FPSC-RECORDS/REGISTRATION

on the rule; or

✓ (e) Are filed more than 90 days after the notice, but within 21 days after the date of receipt of all material authorized to be submitted at the hearing; or

✓ (f) Are filed more than 90 days after the notice, but within 21 days after the date the transcript was received by this agency; or

✓ (g) Are filed not more than 90 days after the notice, not including days the adoption of the rule was postponed following notification from the Joint Administrative Procedures Committee that an objection to the rule was being considered.

Attached are the original and two copies of each rule covered by this certification. The rules are hereby adopted by the undersigned agency by and upon their filing with the Department of State.

Rule No(s).

25-24.900

25-24.905

25-24.910

25-24.915

25-24.920

25-24.925

25-24.930

25-24.935

25-24.940

Under the provision of subparagraph 120.54(3)(e)6., F.S.,  
the rules take effect 20 days from the date filed with the  
Department of State or a later date as set out below:

Effective: \_\_\_\_\_  
(month) (day) (year)

Blanca S. Bayó  
BLANCA S. BAYÓ, Director  
Division of Records & Reporting

\_\_\_\_\_  
Number of Pages Certified

(S E A L)

DNC

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 Adaptancy 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.

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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: 350.127(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: 364.13, 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, 364.337, 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

13  
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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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 PPCI within the state of Florida, the penalty  
6 shall be no less than \$1,000.

7 Specific Authority: 359.127 (2) F.S.

8 Law Implemented: 364.285 F.S.

9 History: New

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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  
Docket No. 960254-TI

### **SUMMARY OF RULE**

The rules require that no company shall provide PPCS without first obtaining a certificate from the Commission. A LEC, ALEC, or IXC may offer PPCs. Each company is required to file a tariff or price list. The card, its packaging, or the point of sale must disclose certain information and certain information must be printed on the card. The maximum rates displayed or advertised must be in the company's tariffs or price lists. Billing increments shall not exceed one minute and a company may only round up to the next minute. Cards shall be considered active for one year unless an expiration date or period is printed on the card. A company may not discontinue service after a card is purchased unless the card was lost or stolen. The company must have a refund policy and must provide adequate service. Finally a penalty of not less than \$1,000 shall be imposed for a company operating without a certificate.

### **SUMMARY OF HEARINGS ON THE RULE**

A hearing before the full Commission was held on January 30, 1998. Staff presented alternative language for certain provisions based upon timely filed comments. Rationales for rejecting other suggestions raised in the comments were also addressed. Upon concurrence by the participants, the

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alternatives were incorporated and the rules were adopted.

**FACTS AND CIRCUMSTANCES JUSTIFYING THE RULE**

Services to 30,000 cards from one provider of PPCS was deactivated resulting in thousands of dollars of losses to Florida consumers. Other instances have also occurred. Consumer complaints prompted Commission investigation workshops were held to define the issues and determine resolutions. Commission Order PSC-96-1224-FOF-TI was issued that established the Commission policy. That order became the foundation of the rules.

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