

NANCY B. WHITE
Assistant General Counsel-Florida

BellSouth Telecommunications, Inc.
150 South Monroe Street
Room 400
Tallahassee, Florida 32301
(305) 347-5558

March 23, 1998

Mrs. Blanca S. Bayó
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: 970808-TL (St. Joseph) InterLATA Access Subsidy

Dear Ms. Bayó:

Enclosed is an original and fifteen copies of BellSouth Telecommunications, Inc.'s Motion to Hold Subsidy Payments in Escrow, or in the Alternative, Make Subsidy Payments Subject to Refund, which we ask that you file in the captioned docket.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served to the parties shown on the attached Certificate of Service.

Sincerely,

Nancy B. White (kr)
Nancy B. White

ACK Wright
AFA Wright
APP _____ Enclosures
CAF _____
CMU 2
CTR _____
EAG _____
LEG 1
LIN 5
OPC _____
RCH _____
SEC 1
WAS _____
OTH CyKey

cc: All parties of record
A. M. Lombardo
R. G. Beatty
William J. Ellenberg II

RECEIVED & FILED
CS
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

03449 MAR 23 88

FPSC-RECORDS/REPORTING

CERTIFICATE OF SERVICE
Docket No. 970808-TL

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via
U.S. Mail this 23rd day of March, 1998 to the following:

Beth Keating
Legal Counsel
Florida Public Service
Commission
Division of Legal Services
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
(850) 413-6199

Mr. David B. Erwin
Young, van Assenderp
& Varnadoe, P.A.
225 South Adams Street
Suite 200
Post Office Box 1833
Tallahassee, FL 32302-1833
Tel. No. (904) 222-7206
Fax. No. (904) 561-6834

Mark R. Ellmer
502 Fifth Street
Suite 400
Port St. Joe, FL 32456

Charles J. Beck
Deputy Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 W. Madison Street
Suite 812
Tallahassee, FL 32399-1400
(850) 488-9330

Nancy B. White (ke)
Nancy B. White

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of BellSouth Telecommunications, Inc., for removal of St. Joseph Telephone and Telegraph Company's interLATA access subsidy) Docket No.: 970808-TL)
)
) Filed: March 23, 1998

**BELLSOUTH TELECOMMUNICATIONS, INC.'s
MOTION TO HOLD SUBSIDY PAYMENTS IN
ESCROW OR, IN THE ALTERNATIVE, MAKE
SUBSIDY PAYMENTS SUBJECT TO REFUND**

NOW COMES BellSouth Telecommunications, Inc. ("BellSouth"), pursuant to Rule 25-22.037, Florida Administrative Code, and moves the Florida Public Service Commission ("Commission") to allow BellSouth to hold the subsidy payments BellSouth makes to GTC, Inc. ("GTC"), in escrow until the Commission reaches a decision on this matter or, in the alternative, require GTC to hold the subsidy payments subject to refund. In support thereof, BellSouth states the following:

1. On July 22, 1997, BellSouth filed its Revised Petition to Remove the InterLATA Access Subsidy received by GTC (St. Joseph).
2. The hearing on this matter is currently scheduled for May 20, 1998. GTC, however, is disputing certain orders of the Prehearing Officer regarding discovery in this matter. It is possible that the hearing in this matter will be delayed.
3. BellSouth continues to pay GTC approximately \$120,000 per month in access subsidies.
4. BellSouth moves the Commission to allow BellSouth to pay these monies into an interest bearing escrow account until the Commission reaches a

decision in this matter. BellSouth believes that this action is appropriate because it eliminates the incentive for GTC to delay this proceeding. Moreover, GTC continues to argue that the Commission does not have authority over the access subsidy payments. Placing the payments in escrow pending a final decision protects both parties.

5. In the alternative, BellSouth moves the Commission to require GTC to hold the subsidy payments subject to refund and post a bond to guarantee the potential refund amount. This action would protect BellSouth from potential loss of the refund if GTC is sold, or if GTC does not have the financial capability of paying the refund in the future. Order No. 14452, issued on June 10, 1985, indicates that "all subsidies pool contributions and receipts are subject to refund."

WHEREFORE, BellSouth requests that the Commission require BellSouth to pay the access subsidy payments in an interest bearing escrow account until the Commission reaches a decision in this matter or, in the alternative, require GTC to hold the subsidy payments subject to refund with a posted bond.

Respectfully submitted this 23rd day of March, 1998.

BELLSOUTH TELECOMMUNICATIONS, INC.

Robert G. Beatty (ke)

ROBERT G. BEATTY

NANCY B. WHITE

c/o Nancy Sims

150 South Monroe Street, #400

Tallahassee, Florida 32301

(305)347-5555

William J. Ellenberg II (ke)

WILLIAM J. ELLENBERG II

J. PHILLIP CARVER

675 West Peachtree Street, #4300

Atlanta, Georgia 30375

(404)335-0711