

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation and determination of appropriate method for refunding overcharges and interest on intrastate 0+ calls made from pay telephones and in a call aggregator context by CenturyTel Telecommunications, Inc.

DOCKET NO. 001808-TI
ORDER NO. PSC-01-0526-PAA-TI
ISSUED: March 7, 2001

The following Commissioners participated in the disposition of this matter:

E. LEON JACOBS, JR., Chairman
J. TERRY DEASON
LILA A. JABER
BRAULIO L. BAEZ
MICHAEL A. PALECKI

ORDER DECLINING TO SHOW CAUSE AND NOTICE OF PROPOSED AGENCY ACTION ORDER APPROVING OFFER OF REFUND AND REFUND CALCULATION AND CANCELING INTEREXCHANGE TELECOMMUNICATIONS CERTIFICATE

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein, requiring CenturyTel Telecommunications, Inc. to refund \$8,130.65 in overcharges plus accrued interest of \$981.07, for a total of \$9,111.72, by lump sum payment into the Florida General Revenue Fund, is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

BACKGROUND

On September 28, 1995 CenturyTel Telecommunications, Inc. (formerly Century Telecommunications, Inc.) (CenturyTel) was issued certificate number 4072 to operate as an interexchange telecommunications company. On February 1, 1999, Rule 25-24.630, Florida Administrative Code, Rate and Billing Requirements was amended to cap rates for intrastate 0+ and 0- calls from pay

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telephones or a call aggregator context to \$.30 per minute plus \$3.25 for a person-to-person call or \$1.75 for a non person-to-person call. On August 4, 1999, our staff reviewed CenturyTel's tariff for compliance with Rule 25-24.630, Florida Administrative Code, and found that CenturyTel's operator service provider rates appeared to exceed the rate cap. Our staff mailed CenturyTel a certified letter and requested additional information by August 19, 1999.

On August 13, 1999, CenturyTel responded to our staff's inquiry stating that its tariffs were prepared to be in compliance with Florida rules, as well as directly comparable to the AT&T tariff, and requested that it not be required to revise its tariff any sooner than AT&T. Therefore, CenturyTel stated that these charges were included in the quoted rates, and no overcharges occurred to Florida consumers.

On August 23, 1999, CenturyTel announced the removal of the \$.25 payphone set use fee and the \$.30 payphone surcharge for all Florida customers, effective August 16, 1999, and stated that they were in the process of identifying all call detail records that were due a refund. On November 8, 1999, CenturyTel proposed to offer a refund to Florida customers who had been overcharged. CenturyTel's response states that it had overcharged a total of 14,814 calls for \$8,130.65. CenturyTel also noted that all tariffs and rates in the system were changed to reflect the correct rate cap. CenturyTel had also expressed concern that the surcharges should be allowable charges above and beyond our rate caps for 0+ calls made from pay telephones and in a call aggregator context.

By Order No. PSC-00-2028-FOF-TI, issued June 9, 2000, in Docket No. 000567-TI, we approved Century Telecommunications, Inc.'s request to change its name on IXC certificate 4072 to CenturyTel Telecommunications, Inc. In November of 2000 our staff contacted CenturyTel to discuss settlement of this docket. CenturyTel acknowledged that it was in the process of finalizing its business affairs and that it was not actively offering telecommunications services. Based on this information, our staff encouraged CenturyTel to propose a new settlement offer to resolve this case.

On January 4, 2001, CenturyTel agreed to resolve the matter by paying the refund amount of \$9,111.72, consisting of \$8,130.65 in overcharges plus accrued interest of \$981.07. At this time, CenturyTel has closed its operations and there are no employees capable of determining refund amounts due to individual customers. Therefore, CenturyTel requests to refund all amounts due in connection with overcharges by lump sum payment into the Florida General Revenue Fund. This Commission is vested with jurisdiction over this matter pursuant to Sections 364.285 and 364.3376, Florida Statutes.

As previously explained, our staff compared CenturyTel's tariff for operator services rates to the rate cap established in Rule 25-24.630, Florida Administrative Code. Based on the comparison, it appeared CenturyTel's tariffed rates exceeded the rate caps applicable to an operator service provider for intrastate 0+ or 0- calls made from a pay telephone or in a call aggregator context. On August 4, 1999, our staff informed CenturyTel of the discrepancy and requested information by August 19, 1999. On August 13, 1999, CenturyTel responded to our staff's inquiry. In its response, the company stated that its tariffs were prepared to be in compliance with Florida rules, and these charges were included in the quoted rates. Therefore, CenturyTel believed no overcharges occurred.

The company's tariff included a \$.30 payphone surcharge and a \$.25 set use fee. The rates charged consumers exceeded the Commission's rate caps as provided in Rule 25-24.630, Florida Administrative Code. The company voluntarily revised its tariff to remove the payphone surcharge and set use fee on August 16, 1999.

Subsequently, CenturyTel provided that its operations involving operator services were discontinued in June 2000 and its preference was to refund the overcharges and settle this docket as soon as possible.

CenturyTel offered to refund all overcharges by lump sum payment into the Florida General Revenue Fund because CenturyTel has ceased its operator services operations and there remain no employees capable of determining refund amounts due individual customers.

Therefore, we accept CenturyTel's refund calculation of \$8,130.65, adding interest of \$981.07, for a total of \$9,111.72, and proposal to refund all amounts due in connection with the overcharges by lump sum payment into the Florida General Revenue Fund. This refund amount, including interest, shall be remitted to the Commission by April 6, 2001, and forwarded to the Comptroller for deposit in the General Revenue Fund, pursuant to Section 364.285(1), Florida Statutes. In addition, CenturyTel should be required to file a report consistent with Rule 25-4.114, Florida Administrative Code, Refunds, with the Commission by April 6, 2001.

We note that Section 364.285, Florida Statutes, authorizes the Commission to impose upon any entity subject to its jurisdiction a penalty of not more than \$25,000, if such entity is found to have refused to comply with or to have willfully violated any lawful rule or order of the Commission, or any provision of Chapter 364.

In previous dockets involving apparent overcharges, companies have not been required to show cause. In this case, since CenturyTel corrected the problem, provided the overcharge information necessary to calculate the interest due on the overcharges, and has agreed to refund those overcharges, including interest, in a lump sum payment to the Florida General Reserve Fund, we do not find that CenturyTel's conduct rises to the level that warrants an order to show cause.

In addition, pursuant to Rules 25-24.474(2) and 25-24.600(2), Florida Administrative Code, CenturyTel informed our staff, by letter dated February 8, 2001, that it is no longer actively offering operator services, has closed its office that managed the operator services functions, and requested the voluntary withdrawal of its certificate. CenturyTel has offered to refund \$9,111.72, consisting of \$8,130.65 in overcharges plus accrued interest of \$981.07, and requested to refund all amounts by lump sum payment into the Florida General Revenue Fund. CenturyTel has also submitted its payment for the 2000 regulatory assessment fee (RAF). Accordingly, CenturyTel's request for a voluntary cancellation of Certificate No. 4072 is hereby granted with an effective date of December 31, 2000.

This docket shall be closed upon completion of the refund and receipt of the final report on the refund.

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Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that CenturyTel Telecommunications, Inc. shall refund \$8,130.65 in overcharges plus accrued interest of \$981.07, for a total of \$9,111.72, by lump sum payment into the Florida General Revenue Fund. It is further

ORDERED that CenturyTel Telecommunications, Inc. shall submit a final report as required by Rule 25-4.114, Florida Administrative Code, Refunds, by April 6, 2001. It is further

ORDERED that the provisions of this Order, requiring CenturyTel Telecommunications, Inc. to refund \$8,130.65 in overcharges plus accrued interest of \$981.07, for a total of \$9,111.72, by lump sum payment into the Florida General Revenue Fund, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

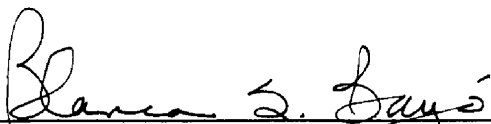
ORDERED that CenturyTel Telecommunications, Inc.'s Certificate No. 4072 to provide Interexchange Telecommunications services is hereby canceled, effective December 31, 2000. It is further

ORDERED that CenturyTel Telecommunications, Inc. shall return to this Commission the Order granting authority to provide Interexchange Telecommunications services. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed, upon completion of the refunds, and remittance of the refund report.

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By ORDER of the Florida Public Service Commission this 7th Day
of March, 2001.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

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JKF

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein, requiring CenturyTel Telecommunications, Inc. to refund \$8,130.65 in overcharges plus accrued interest of \$981.07, for a total of \$9,111.72, by lump sum payment into the Florida General Revenue Fund, is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak

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Boulevard, Tallahassee, Florida 32399-0850, by the close of business on March 28, 2001.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.